



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2006**

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bloomington
Indiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "Ronald J. Hawn".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

2006

City of Bloomington, Indiana

**Comprehensive Annual
Financial Report
(CAFR)**

**For the Year Ended
December 31, 2006**

Prepared by:
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Table of Contents

I. INTRODUCTION	PAGE
Mayor's Letter of Transmittal	I - 1
Controller's Letter of Transmittal	I - 2
Organizational Chart	I - 6
Elected Officials	I - 7
City Boards and Commissions	I - 8
Acknowledgments	I-14
 II. FINANCIAL SECTION	
Independent Auditors' Opinion on General Purpose Financial Statements	II- 1
Management's Discussion and Analysis	II- 2
<i>Basic Financial Statements:</i>	
Government-wide Financial Statements:	
Statement of Net Assets	II-12
Statement of Activities	II-13
Fund Financial Statements:	
Balance Sheet - Governmental Funds	II-14
Reconciliation of the Balance Sheet to the Statement of Net Assets	II-15
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	II-16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	II-17
Statement of Net Assets - Proprietary Funds	II-18
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	II-19
Statement of Cash Flows - Proprietary Funds	II-20
Statement of Fiduciary Net Assets	II-21
Statement of Changes in Fiduciary Net Assets	II-22
<i>Notes to the Financial Statements</i>	
Summary of Significant Accounting Policies	II-23
Reporting Entity	II-23
Government-wide and Fund Financial Statements:	II-23
Measurement Focus, Basis of Accounting and Financial Statement Presentation	II-24
Assets, Liabilities and Net Assets or Equity	II-25

II. FINANCIAL SECTION (Continued)	PAGE
Deposits and Investments	II-25
Interfund Transactions and Balances	II-26
Property Taxes	II-26
Inventories and Prepaid Items	II-26
Restricted Assets	II-26
Capital Assets	II-26
Compensated Absences	II-27
Long-Term Obligations	II-27
Fund Equity	II-28
Stewardship, Compliance and Accountability	II-28
Budget Information	II-28
Detailed Notes on All Funds	II-28
Deposits	II-28
Investments	II-28
Capital Assets	II-31
Construction Commitments	II-34
Interfund Balances and Activity	II-34
Leases	II-35
Long-Term Liabilities	II-36
Other Information	II-40
Risk Management	II-40
Deficit Fund Equity	II-41
Changes in Accounting Principles	II-42
Extraordinary Gain	II-42
Conduit Debt Obligation	II-42
Pension Plans	II-42

III. REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule- General Fund	III- 1
Budgetary Comparison Schedule- Major Special Revenue Funds	III- 2
Budget/ GAAP Reconciliation- General Fund and Major Special Revenue Funds	III- 4
Schedule of Funding Progress	III- 5
Schedule of Contribution From the Employer and Other Contributing Entities	III- 6
Notes to Required Supplementary Information	III- 7

IV. SUPPLEMENTARY INFORMATION	PAGE
<i>Major Governmental Funds</i>	IV- 1
Schedule of Expenditures- Budget and Actual- General Fund	IV- 2
<i>Non-major Governmental Funds</i>	IV- 5
<i>Governmental Funds</i>	
Combining Sheet Non-major Governmental Funds	IV- 9
Combining Statement of Revenues, Expenditures and Other	
Changes in Fund Balances- Non-major Governmental Funds	IV-10
<i>Special Revenue Funds</i>	
Combining Balance Sheet Non-major Special Revenue Funds	IV-11
Combining Statement of Revenues, Expenditures and Other	
Changes in Fund Balances- Non-major Special Revenue Funds	IV-16
<i>Debt Service Funds</i>	
Combining Balance Sheet Non-major Debt Service Funds	IV-20
Combining Statement of Revenues, Expenditures and Other	
Changes in Fund Balances- Non-major Debt Service Funds	IV-21
<i>Capital Projects Funds</i>	
Combining Balance Sheet Non-major Capital Projects Funds	IV-22
Combining Statement of Revenues, Expenditures and Other	
Changes in Fund Balances- Non-major Capital Projects Funds	IV-24
Budgetary Comparison Schedules- Other Non-major Budgeted	
Governmental Funds	IV-27
<i>Proprietary Funds</i>	
Combining Statement of Net Assets- Non-major Proprietary Funds	IV-33
Combining Statement of Revenues, Expenditures and other	
Changes in Fund Net Assets- Non-major Proprietary Funds	IV-34
Combining Statement Of Cash Flows- Non-major Proprietary	
Funds	IV-35
Budgetary Comparison Schedules- Other Non-major Budgeted	
Proprietary Funds	IV-36
<i>Fiduciary Funds</i>	
Non-major Fiduciary Funds	IV-37
Combining Statement of Net Assets- Non-major Fiduciary Funds	IV-38
Combining Statement of Revenues, Expenditures and other	
Changes in Fund Net Assets- Non-major Fiduciary Funds	IV-39
Budgetary Comparison Schedules- Other Non-major Budgeted	
Fiduciary Funds	IV-40

V. STATISTICAL SECTION	PAGE
Statistical Section Contents Schedule	V-1
Net Assets By Component - Schedule 1	V-2
Changes in Net Assets - Schedule 2	V-3
Fund Balances - Schedule 3	V-5
Changes in Fund Balances- Schedule 4	V-6
Assessed and Actual Taxable Property - Schedule 5	V-8
Direct and Overlapping Tax Rates - Schedule 6	V-9
City of Bloomington Principal Taxpayers- Schedule 7	V-12
Property Tax Levies and Collections - Schedule 8	V-14
Ratios of Outstanding Debt by Type - Schedule 9	V-17
Ratios of General Bonded Debt Outstanding - Schedule 10	V-18
Direct and Overlapping Govt. Activities Debt- Schedule 11	V-19
Legal Debt Margin Information - Schedule 12	V-20
Pledged Revenue Coverage - Schedule 13	V-23
Demographic and Economic Statistics- Schedule 14	V-25
Principal Employers - Schedule 15	V-26
Full-time Equivalent City Govt. Employees - Schedule 16	V-27
Operating Indicators by Function - Schedule 17	V-28
Capital Asset Statistics by Function/Program - Schedule 18	V-29



**MARK KRUZAN
MAYOR**

CITY OF BLOOMINGTON

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Bloomington IN 47402

OFFICE OF THE MAYOR

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August 23, 2007

Dear Citizens,

I am pleased to present to you Bloomington's 2006 Comprehensive Annual Financial Report, an in-depth account of the City's financial status. This report demonstrates the City's willingness to provide you with a full and detailed explanation of how your tax dollars are managed.

We are committed to fiscally responsible management of your tax dollars.

If you have any suggestions for improving our Comprehensive Annual Financial Report or for better managing your tax dollars, please contact the City Controller's Office at (812) 349-3412.

Thank you,

Mark Kruzan, Mayor
City of Bloomington



City of Bloomington Office of the Controller

August 23, 2007

Honorable Mark Kruzan, Mayor, and Members of the Bloomington Common Council:

I am pleased to submit to you the Comprehensive Annual Financial Report of the City of Bloomington, Indiana, for the fiscal year ended December 31, 2006 (2006 CAFR). The Office of the Controller has prepared this report to present the financial position of the funds and account groups of the City and the results of their respective financial operations. Responsibility for the accuracy of the data contained within this report and the completeness and fairness of its presentation, including all disclosures, rests with the City. I believe that the data as presented is accurate in all material aspects, and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included. This letter of transmittal is designed to complement to Management's Discussion & Analysis (MD&A, found in this section) and should be read in conjunction with it.

Overview

Economic Development

The City of Bloomington's approach to economic development is through strategic partnerships that preserve, promote and strengthen our economy and our community as a whole.

Bloomington and Monroe County serve as the economic hub for south central Indiana. In 2006, the annual average unemployment rate for the State of Indiana was 5.0%. However, the annual average unemployment rate for the Bloomington Metropolitan Statistical Area (MSA) for that same time period was 4.6%. The total resident labor force for the Bloomington MSA during this time period was 96,711. The Bloomington MSA includes Monroe, Greene and Owen Counties.

Bloomington has many diversified industrial and non-industrial employers which are well established in the community. Industrial employers include Cook, Inc., Baxter Pharmaceuticals, General Electric Corporation, PTS Electronics, Schulte Corporation and many others. Some notable non-industrial employers are Indiana University (Bloomington's largest employer), Bloomington Hospital, City of Bloomington, Monroe County and the Monroe County Community School Corporation.

Bloomington continues to experience job growth in advanced manufacturing, information technology, professional services and commercial retail. Moreover, with increased investment in the City's technical infrastructure, innovative economic development tools and a focused effort towards growing the life sciences sector Bloomington is well-positioned to enable increased private investment and job creation in the area in the coming years. Other areas of focus include leveraging the city's significant creative community and arts businesses as catalysts for economic development, as well as focused efforts in sustainable development practices that regard environmental and social health as highly as economic prosperity.

Report Format

The 2006 CAFR is presented in five sections, as follows:

Part I, the Introduction Section, includes letters of transmittal from the Mayor and the Controller that present summarized information about the City organization and its accomplishments during 2006. The Introduction Section presents the organization chart of the City, a list of elected officials, boards and commissions and acknowledgements.

Part II, the Financial Section, includes the results of the annual State Board of Accounts audit, including their audit opinion, financial statements, notes to the financial statements, and Management's Discussion and Analysis.

Part III, the Required Supplementary Information (RSI) including Budgetary Comparison Schedules for major budgeted funds and financial information and disclosures for the City's pension trust funds.

Part IV, the Supplementary Information section includes Schedules of Expenditures for Non-Major Funds and budgetary comparison schedules for the City's budgeted Non-Major Funds.

Part V, the Statistical Section, includes a number of unaudited tables presenting financial, statistical, and demographic information that provide the user with a broad perspective on the City of Bloomington.

Continuing Disclosure

Rule 15c2-12 under the Securities Exchange Act of 1934 concerning municipal securities financial disclosure requires, in part, the annual filing of certain information and data with each nationally recognized municipal securities information repository (NRMSIR) and any state information repository if one is in existence in the issuer's state. The state of Indiana currently has no such repository.

Since 1993, the City has participated in a similar voluntary program of continuing disclosure sponsored originally by the National Federation of Municipal Analysts. It is the City's intent, where possible, to include the required information in our Comprehensive Annual Financial Report for filing with the designated repositories.

Agencies Included

This report includes all funds, agencies, boards, and commissions that are considered to be a part of the City of Bloomington (the primary government). In addition, one significant component unit – the Public Transportation Corporation – is included because of its operational and financial relationships with the City. The criteria for inclusion are discussed in the accompanying notes to the financial statements. Certain organizations have been excluded such as the Bloomington Housing Authority and the Bloomington Municipal Facilities Corporation.

Annual Audit

Indiana state law requires an independent audit of the financial transactions and records of the City to be made by the Indiana State Board of Accounts. This requirement has been complied with and the results of the audit have been included in this report. The City is also required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133. Information related to this single audit is not included in this report, but is available as a supplement to this report.

Financial Reporting Standards, Awards

Each year, the Government Finance Officers Association (GFOA) awards Certificates of Achievement for Excellence in Financial Reporting to governmental units that publish easily readable and efficiently organized annual financial reports whose contents satisfy generally accepted accounting principles, applicable legal requirements and conform to program standards. For the fiscal year ended December 31, 2006, the City received its 16 consecutive Certificate of Achievement for its Comprehensive Annual Financial Report. We are hopeful that we will be awarded a Certificate of Achievement for our 2006 CAFR.

Financial Management

Accounting System

The City maintains its records on a cash basis to comply with State statutes and regulations, and adjusts this data to an accrual or modified accrual basis to conform with generally accepted accounting principles applicable to governments. The City's accounting system is organized on a "fund basis." Each fund is a distinct self-balancing entity, and the funds are organized in the financial statements in this report into three broad fund categories

(Governmental, Proprietary and Fiduciary) and nine generic fund types (General, Special Revenue, Debt Service, Capital Projects, Permanent, Enterprise, Internal Service, Pension Trust, and Private-purpose Trust). Funds are also separated into Major Governmental and Non-Major Governmental Funds. Our Major funds include the General Fund, Park, Street and Road, and Municipal Improvement.

Internal Controls

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding: (1) the safeguarding of assets against loss from unauthorized user disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived; and that the evaluation of cost and benefits requires estimates and judgments by management. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Preparation and Control

Prior to June 1, all departments develop budgets for the subsequent calendar year. The proposed budgets are reviewed during June by an internal budget committee which is chaired by the Mayor. In July, the budget is submitted to the Common Council for preliminary review and approval. Final approval of the budget by Council is completed in September. The City's adopted budget is then submitted to the Indiana Department of Local Government Finance for its final review and approval.

The City is required by state statute to adopt budgets for all departments of the General Fund and for a number of other funds by no later than September 30 of each year. Budgets are adopted on a cash basis to the department level of control within the General Fund, and to the fund level of control in other funds. Budgetary control is also maintained through an encumbrance system.

Debt Administration

The City's General Obligation debt is subject to a State constitutional debt limitation of 2% of one-third of true tax valuations. There are three such general obligation taxing districts within the City. At December 31, 2006, the City's net combined general obligation bonded debt of \$15.9 million was 27% of the legal limit of \$57.8 million. Net bonded debt per capita equaled \$230 Government-Wide. During 2006, the City maintained its favorable ratings from Standard and Poor's (AA-), Moody's (Aa2) and Fitch (AA).

Cash Management

The City's investment policy, subject to state statutory restrictions governing allowable investments, is to minimize credit and market risks while maintaining competitive yields on its investments. Cash temporarily idle is invested in securities which are backed by the full faith and credit of the United States Treasury and fully insured Certificates of Deposits. Each week idle funds are invested or re-invested in securities of various maturities.

Risk Management and Health Insurance

The division of Risk Management, which was established in 1989, administers a self-insured program for worker's compensation. In addition, the Division is responsible for the procurement of all City liability insurance coverages, the City safety program, and all loss control activities. The Division is administered by a risk manager and a risk management committee, which provides general oversight to the risk management program. The Risk Management fund continued to perform very well, ending the year with exceptional balances for unforeseen contingencies.

The City also maintains its own health insurance trust fund for the purpose of providing employee medical benefits. This fund is funded with a combination of employee premiums and City-funded employer contribution. At the end of fiscal year 2006, the health insurance trust fund closed with an unencumbered balance of \$1,505,652, equal to more than one month of health claims coverage.

Pensions

The pre-1977 police and fire pension plans are financed on a "pay-as-you-go" basis. These pension plans are funded as a part of the City property tax levy and periodic allocation from county option income tax (COIT) revenues. In 1989, the City established an "advance funding" plan and created a supplemental trust fund to more effectively manage this long-term obligation. Excess COIT revenues are periodically allocated to the supplemental trust fund. No monies were transferred to the supplemental trust fund in 2006. For reporting purposes the supplemental trust fund assets are allocated between the Police and Fire Pension Trust Funds.

Recently, the Indiana Legislature passed a bill that permits local pension funds to be invested through the state's Public Employees Retirement Fund (PERF). Unlike local units of government, PERF is permitted by law to invest pension funds in equities as well as bonds and other investment instruments. As a result PERF is able to generate a much higher return on invested funds than local units. The City of Bloomington has invested \$1.5 million in the external investment pool administered by PERF.

2006 Financial Results

Government-wide Financial Statements

Due to requirements established by the Governmental Accounting Standards Board (GASB), the City's financial statements include a Government-Wide Financial Statement. This section presents information on all of the City's financial activities. In 2006, total net assets in the Primary Government Funds were \$278.7 million. Total assets were \$440.9 million and total liabilities were \$162.2 million. Please refer to Management's Discussion and Analysis for further discussion.

General Fund Balance

In 2006, the Unreserved General Fund Balance increased by \$3.6 million from \$3.1 million to \$6.7 million, or 118%. Please refer to Management's Discussion and Analysis.

Enterprise Operations

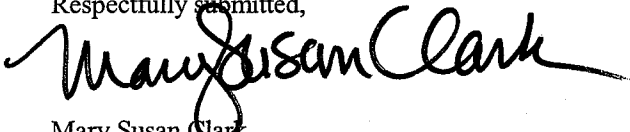
The City's enterprise operations are comprised of a water and wastewater utility. The total net assets as of December, 31 2006 were \$97.7 million. That represents an increase in net assets of \$2.4 million.

In 2006, operating revenues increased slightly from \$22.8 million to \$24.6 million. Operating expenses increased by \$1.1 million to \$20.1 million in 2006.

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services and assistance of the staff of the Office of the Controller and the Indiana State Board of Accounts. (See Acknowledgment)

Respectfully submitted,


Mary Susan Clark
Controller

2006

ELECTED OFFICIALS

MAYOR: Mark Kruzan

CITY CLERK: Regina Moore

COMMON COUNCIL

District 1	Chris Sturbaum, President
District 2	Jason R. Banach December-October 2006/ Brad Wisler October 2006-Current
District 3	Michael Diekhoff
District 4	Dave Rollo, Vice President
District 5	L. David Sabbagh
District 6	Stephen Volan
At Large	Tim Mayer, Parliamentarian Chris Gaal Andy Ruff,

CITY DEPARTMENT HEADS

Deputy Mayor, James McNamara
Corporation Counsel, Kevin Robling
Controller, Susan Clark
Council Administrator, Dan Sherman
Fire Chief, Jeff Barlow
Housing Authority, Jennifer Osterholt, Director
Community and Family Resources, Pete Giordano
Parks and Recreation, Mick Renneisen
Employee Services, Daniel Grundmann
Chief Information Officer, Richard Dietz
Housing and Neighborhood Development, Lisa Abbott
Planning, Tom Micuda
Police Chief, Mike Hostetler
Public Works, Susie Johnson
Animal Shelter, Laurie Ringquist
Manager of Engineering Services, Justin Wykoff
Fleet Shop Foreman, Mike Young
Sanitation, Larry Barker
Street Commissioner, Bob Chestnut
Transit, Lew May
Utilities, Patrick Murphy

CITY BOARDS AND COMMISSIONS

Animal Control Commission

Sarah DeLone
Kathy Cochard
Thomàs Heslin Feb-Current
Valerie Pena
Shirley Davies

Bicycle/Pedestrian Safety Commission

Michael Gavin
Mitch Rice
James Rosenbarger
Gayle Stuebe
Anne Phillips Holahan
Karen Franks
Marcus Reed

Bloomington Community Arts Commission

George Van Arsdale
Michael S. Cagle
Margaret Contompasis
Kris Floyd
Rosemary Fraser
Peter Jacobi
Valda Meijers
Patricia Pizzo
Les Coyne

Commission on the Status of Black Males

Larry Brown
Paulette Patterson Dilworth
Cedric Harris
William R. Knox
Genevieve Williamson January 06-September 06
Beverly Smith September 06-Current
David Hummons
Genevieve Manset Williams
George Tardy Jr.

Community & Family Resources Commission

Shaunica Pridgen
Jennifer Marcum
Jack Harlow
Fran Moore

Community & Family Resources Commission (cont.)

John Zody March
Todd Lare April 2006-Current
Nancy Rutkowski
Robert Monroe
Jeff McKinney

Economic Development Commission

Dick McGarvey
Joyce Poling
Dick Schmalz
Chris Sturbaum
Kurt Zorn

Environmental Commission

Deb Backhus
Ross Brittain
Kelly Boatman
Kriste Lindberg
Michael Litwin
Isabel Piedmont
Don Moore
Heather Reynolds
Laura Trout
Gina Williams
Kristen Beecher March

Historic Preservation Commission

Doug Bruce
Jeannine Butler
Sandra Clothier
Marjorie Hudgins
Rosemary Miller
Carol Krause
James Stewart
Lois Sabo-Skelton
Marleen Newman
Advisory Members:
Duncan Campbell
Henry Glassie

Housing Authority

Lindsey Smith
Richard Rampley
Mary Friedman
Tim Ball
Kenneth Kline September
Tom Risen January
Kevin Cade June-Current
Doris Sims June

Housing Quality Appeals Board

Kris Floyd
Ben Mitchell
Brent Thompson
Sandi Cole
Nikki Montembeault
Susie Hamilton

Housing Trust Fund Board

Iris Kiesling
John West
Tim Mayor
Susan Dabkowski
Jason Banach
Renee Chambers
Steve Wyatt
Nancy Brinegar

Human Rights Commission

Rev Byron Bangert
Emily Bowman
Jeff Harlig
Carolyn Calloway-Thomas
Valerie Haughton
Dorothy Granger

Industrial Development Advisory Council

Rhonda Hinds
Kirk Hobbs
Roger Kent
Don Moore
Joyce Poling
Richard Rampley
Senator Vi Simpson

Martin Luther King Birthday Commission

Wendy Bernstein
Barabara Fuqua
Gloria Gibson
David F. Hummons
Robert Motley December
Sheldon Gellar
William Vance
Tiffany Cannon

Board of Park Commissioners

Joe Hoffmann
Mary Catherine Carmichael
John Carter
Les Coyne

Plan Commission/2006

Jack Baker
Scott Burgins
Susan Fernandes
Chris Gaal
Joseph Hoffmann
Milan Pece
Adrian Reid
Tom Seeber
Bill Stuebe
Travis Vencel
Pat Williams

Board of Public Safety

Marc Carmichael
Viola Tali-ferro Jan-March
Doris Sims
Jason Vencel
Betsy Walsh
Michael Huerta March- Current
Bill Vance

Board of Public Works

Beth Hollingsworth President
Dr. Frank Hrisomalos
Charlotte Zietlow

Redevelopment Commission

Michael Gentile
David Walter
Paula Gordon
John West
Mike Szakaly

Telecommunications Council

Duane Busick
Paula Gordon
John West
Eric Ost
Suzanne Owen
Jesse Stryker
Carl Zager

Traffic Commission

Mike Avila
Buff Brown
Bill Hayden
Jim Rosenbarger
Sidney Smith
Jeff Weber

Sheryl Daniels (Engineering), ex officio
Sergeant Steve Kellams (Police), ex officio

Tree Commission

Tom Coleman
Laurel L. Comell
Debra Beck
Mia P. Williams
George Hegeman
Burnell Fisher

Public Transportation Corporation

Ray MgcConn
Kent McDaniel
Alex Cartwright
Jill Lesh Jan-Nov
Nancy Obermeyer

Urban Enterprise Association

Jack Baker
Roger Kent
Tom Seeber
Doris Sims Jan-April
Senator Vi Simpson
Chris Smith
Ron Stanhouse
Steve Volan
Jeanne Walters
Doug Wissing
Margarette Disque
Danise Alano
Anna Lynch April-Dec

Utilities Service Board

Richard L. Eherenman Jan-Jan
Julie Roberts
Jeff Ehman
Tim Henke
Jason Banach Dec-Current
Tom Swafford
Samuel Vaught
John Whitehart
Susan Sandberg
Tom Micuda (Mayor), ex officio
Tim Mayer (Council), ex officio

Commission on Status of Women

Melanie Castillo-Cullather Jan-Nov
Cathi Crabtree
Jillian Kinzie
Dorothy Saltzman
Toby Strout
Debra Vance
Dorothy Granger
Merridee Lamantia December

Board of Zoning Appeals

Sue Aquila
Patrick Murray
Milan Pece
Tom Seeber
Jim Southern
John Zody

ACKNOWLEDGMENTS

Our appreciation is extended to the various elected officials, department heads and employees responsible for contributing to the sound financial position of the City of Bloomington. In particular, we would like to acknowledge the efforts of a fine staff in the office of the Controller led by Deputy Controller, Donna Broadstreet; Alisa Wood, Budget and Research Manager, Brad Underwood, Systems Manager; Jeff McMillian, Accounting and Procurement Manager; Susan Truelock, Accounts Processor; Tamara Mitchner, Accounts Coordinator; and Bob Schmidt, Research Assistant. Data Processing support is provided by the Department of Information and Technology Services.

Appreciation is also due to the audit team of the Indiana State Board of Accounts:

Todd Austin, C.P.A., Office Supervisor
Kerry Fleming, C.P.A., Field Supervisor
Linda Hall, C.P.A., Auditor-in-Charge
Jessica Graft, Field Examiner
Beth Goss, Field Examiner
Brandon Knight, Field Examiner

The Controller's Office alone could not manage the fiscal affairs of the city without the support of those employees charged with the responsibility of overseeing the financial operations of their departments and agencies:

Animal Shelter:
Danyale Carpenter

Common Council:
Dan Sherman
Stacy Jane Rhoads

City Clerk:
Regina Moore

Employee Services:
Janice Chestnut

Engineering:
Laurel Waters

Fire:
Joyce Franklin
Berniece Snyder

Fleet Maintenance:
Lisa Lazell

H.A.N.D.:
Janet Roberts
Christina Finley

C.A.F.R.:
Edie Henderson

Legal:
Kim Hilker
Kay Strahm

Mayor:
Diane Daily

Parking Meter:
Amy Smith
Lori Beasley

Parks and Recreation:
Renee Langley
Judy Seigle

Planning:
Carmen Lillard
Jane Weiser

Police:
Elaine Gresham
Jamie Jahnke

Public Works:

Denise Dean

Penny Myers

Risk Management:

Renee Rose

Street:

Danna Workman

Traffic:

Debbie Vollmer

Utilities:

Michael Horstman

Julie Martindale

Michael Trexler

Kim Robertson

Patrick Stoffers

This annual report includes statistical data from a variety of sources. We would like to thank Sandy Newmann, Monroe County Auditor, and her staff for their help in collecting much of this data. We would also like to express our appreciation to Indiana University, the Bloomington Economic Development Corporation, the Greater Bloomington Chamber of Commerce and the Indiana Business Research Center for their help in collecting this data.



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE CITY OF BLOOMINGTON, INDIANA

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Bloomington (City), as of and for the year ended December 31, 2006, which collectively comprise the City's basic financial statements. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and for the year then ended, in conformity with accounting principles generally accepted in the United States.

The Management's Discussion and Analysis, Schedules of Funding Progress, Schedules of Contributions From the Employer and Other Contributing Entities and Budgetary Comparison Schedules as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining fund financial statements, other budgetary comparison schedules and statistical tables are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The combining fund financial statements and other budgetary comparison schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

August 22, 2007

Management's Discussion and Analysis

As management of the City of Bloomington (the City), we offer the following discussion as insight into the financial performance of the City for the fiscal year ended December 31, 2006. For a complete understanding of the City's financial position, this discussion and analysis should be read in conjunction with our letter of transmittal, the basic financial statements, and the notes to the basic financial statements.

Financial Highlights

- The City's total assets at December 31, 2006 were \$440.9 million. The assets of the City exceeded its liabilities at the end of 2006 by \$278.7 million. Of this amount, \$21.7 million is considered unrestricted.
- The City's total liabilities at December 31, 2006 were \$162.2 million.
- At the end of 2006, the City's governmental funds reported a combined ending fund balance of \$41.3 million. The combined governmental funds' fund balance increased by \$7.7 million from the prior year's ending fund balance. Approximately \$18.5 million of the \$41.3 million fund balance is considered unreserved at December 31, 2006.
- The City's total debt increased by \$6.7 million (4.5 percent). This includes additions of \$17.5 million and reductions of \$10.8 million. This increase is due to new revenue bonds payable and additional net pension obligation and compensated absences.

Using this Annual Report

This discussion and analysis is intended to serve as an introduction to the City of Bloomington's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. In addition to the basic financial statements this Comprehensive Annual Financial Report (CAFR) includes other supplementary information along with the statistical section.

Government-wide financial statements

The government-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting, in a manner similar to the private-sector. The government-wide financial statements are composed of two statements: the statement of net assets and the statement of activities.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between them reported as net assets. Net assets are then broken down between governmental and business-type activities. Over time, increases or decreases in net assets will show fluctuation in the City's financial position.

The *statement of activities* presents information on all of the City's revenues and expenses, showing how the government's general expenses less the program revenues equal net expenses for the most recent fiscal year. General revenues are then subtracted from net expenses to get the change in net assets. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, highways and streets, sanitation, health and welfare, economic opportunity, economic development, culture and recreation, urban redevelopment and housing, capital outlay, and interest on long-term debt. The business-type activities of the City include a water utility and a wastewater utility.

The government-wide financial statements include not only the City itself (primary government), but also the legally separate unit the Public Transportation Corporation for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The financial statements of this component unit can be found in their entirety on file in the City Controller's office at 401 N. Morton Street, Bloomington, Indiana 47404.

The government-wide financial statements can be found on pages II-12 through II-13 of this report.

Fund financial statements

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, with its related liabilities, and corresponding equity balances. Some funds are required to be established by State Law and by bond covenants, while others are adopted to help control monies set aside for a specific purpose. The City of Bloomington, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for most of the City's basic services. These funds generally do not provide enough revenue to completely cover their expenses; therefore, they need taxes, fees, interest or any other intergovernmental revenue to help support them. These funds use the modified accrual method of accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund financial statements focus on near-term inflows and outflows of unrestricted resources, as well as focusing on balances of unrestricted resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. At the government-wide level, these funds are accounted for in the governmental activities column on the financial statements. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement. The basic governmental fund financial statements can be found on pages II- 14 through II-17 of this report.

Proprietary funds. A fund is classified as a proprietary fund when the City charges a fee to cover the entire cost of an operation, whether to outside customers or to other units of the City. There are two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. These funds are completely self-supported by providing services to outside customers of the City. The City uses enterprise funds to account for its water and wastewater operations. Internal Service funds are used to report activities that provide services and supplies for the other City departments. The City uses internal services funds to account for its risk management, fleet maintenance, and health insurance trust. The internal service funds are reported within the governmental activities section of the government-wide financial statements. The basic proprietary fund financial statements can be found on pages II- 18 through II-20 of this report.

Fiduciary funds. Fiduciary funds are funds held by a governmental unit as an agent or trustee. They are not reflected in the government-wide statements because the resources of those funds are not available to support the City's own programs. The City holds two types of fiduciary funds: pension trust funds and a private-purpose trust fund. Pension trust funds are used to account for pension plans held by the City on behalf of its employees. The City uses pension trust funds to report the police pension and the fire pension funds. The private-purpose trust fund is used to account for monies held by the City for an external party, the Howard Young Bicentennial Trust. The basic fiduciary fund financial statement can be found on pages II-21 through II-22 of this report.

Notes to the financial statements. The notes are a required part of the basic financial statements that provide necessary information for the understanding of the City's financial report. The notes to the financial statements can be found on pages II-23 through II- 47 of this report.

Other information. The City is also required to provide more detailed information about certain issues disclosed in required supplementary information (RSI) schedules. The City's RSI schedules include: Budgetary Comparison Schedule for General Fund and Budgeted Major Special Revenue Funds, Budget/GAAP Reconciliation for the General Fund and Budgeted Major Special Revenue Funds, the schedule of funding progress, schedule of contributions from the employer and other contributing entities, and the Notes to Required Supplementary Information. The combining financial statements for the non-major governmental funds and the internal service funds are found immediately following the RSI schedules listed above. The RSI schedules can be found on pages III-1 through III-8 of this report.

City of Bloomington
Net Assets
(in thousands)

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>		<u>Component units</u>	
	2006	2005	2006	2005	2006	2005	2006	2005
Current and other assets	\$46,188	\$38,086	\$24,592	\$15,055	\$70,781	\$53,141	\$3,353	\$3,433
Capital assets	207,430	206,713	162,652	160,939	370,082	367,653	9,814	9,644
Total assets	\$253,618	\$244,799	\$187,244	\$175,994	\$440,862	\$420,793	\$13,168	\$13,076
Long-term liabilities outstanding	64,878	66,773	83,048	69,868	147,926	136,642	-	-
Other liabilities	7,761	8,885	6,511	10,838	14,272	19,722	305	279
Total liabilities	72,639	75,658	89,559	80,706	162,198	156,364	305	279
Net Assets								
Invested in capital assets, net of related debt	163,971	161,119	76,769	83,418	240,740	244,538	9,814	9,644
Restricted	45	1,367	16,174	7,253	16,220	8,619	-	-
Unrestricted	16,963	6,656	4,742	4,617	21,705	11,273	3,049	3,153
Total Net Assets	\$180,979	\$169,141	\$97,685	\$95,288	\$278,664	\$264,429	\$12,863	\$12,797

Government-wide Financial Analysis

The City's (primary government) net assets totaled \$278.7 million at the close of 2006. Of the City's net assets (total assets less total liabilities), \$240.7 million (86.4 percent) reflects its investment in capital assets (e.g., land, construction in progress, buildings, improvements other than buildings, machinery and equipment, infrastructure, utility plant acquisition adjustment, and transportation equipment), less any debt used to acquire these assets that is still outstanding. These assets are designated as invested in capital assets because they are used to provide the everyday services the citizens of the City expect. These assets are not liquid and are not available for future spending. The debt associated with these

capital assets must be paid from sources other than the capital assets themselves because as stated before they cannot be used as a liquid asset.

The remainder of the City's net assets is designated as either restricted or unrestricted. The restricted portions, \$16.2 million (6 percent), are dollars that are subject to an external restriction and cannot be spent on everyday operations. The unrestricted portion, \$21.7 million (8 percent), may be used by the City for normal operations of providing services to the citizens of Bloomington.

At the end of 2006, the City shows a positive net asset figure as a whole as well as in the governmental and business-type activities sections individually. This shows that the City has been able to make sound financial decisions over the past several years, leaving them with a solid equity base to build on.

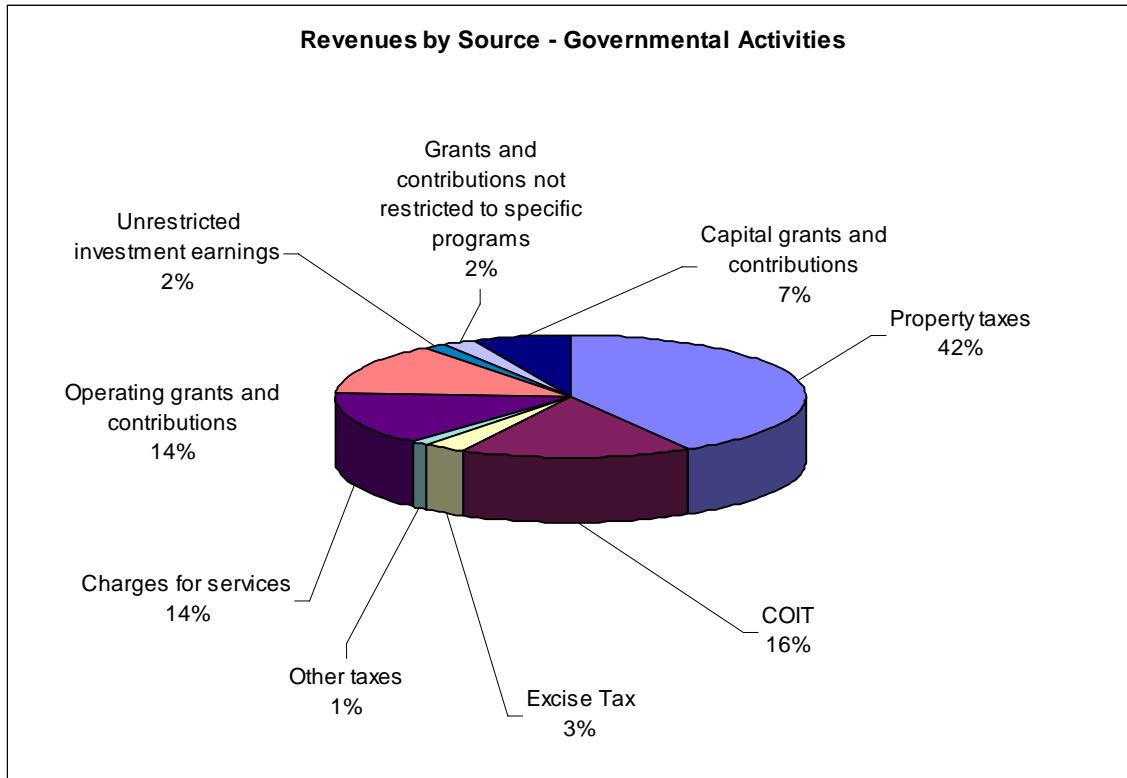
The City's total net assets increased by \$14.2 million during 2006. There was an increase in the City's net assets for the business-type activities of \$2.4 million and an increase in the governmental activities of \$11.8 million. The increase can be attributed in part to additional county option income tax revenue, increases in operating grants and contributions and capital grants and contributions, increased property tax revenue, increased investment earnings and budget tightening for general government departments.

The City's component unit showed assets exceeding liabilities by \$12.9 million at the end of 2006. Of the net assets (total assets less total liabilities), \$9.8 million (76 percent), reflects its investment in capital assets. These assets are designated as invested in capital assets because they are used to provide the everyday services to the users of the component units. These net assets are not liquid and are not available for future spending.

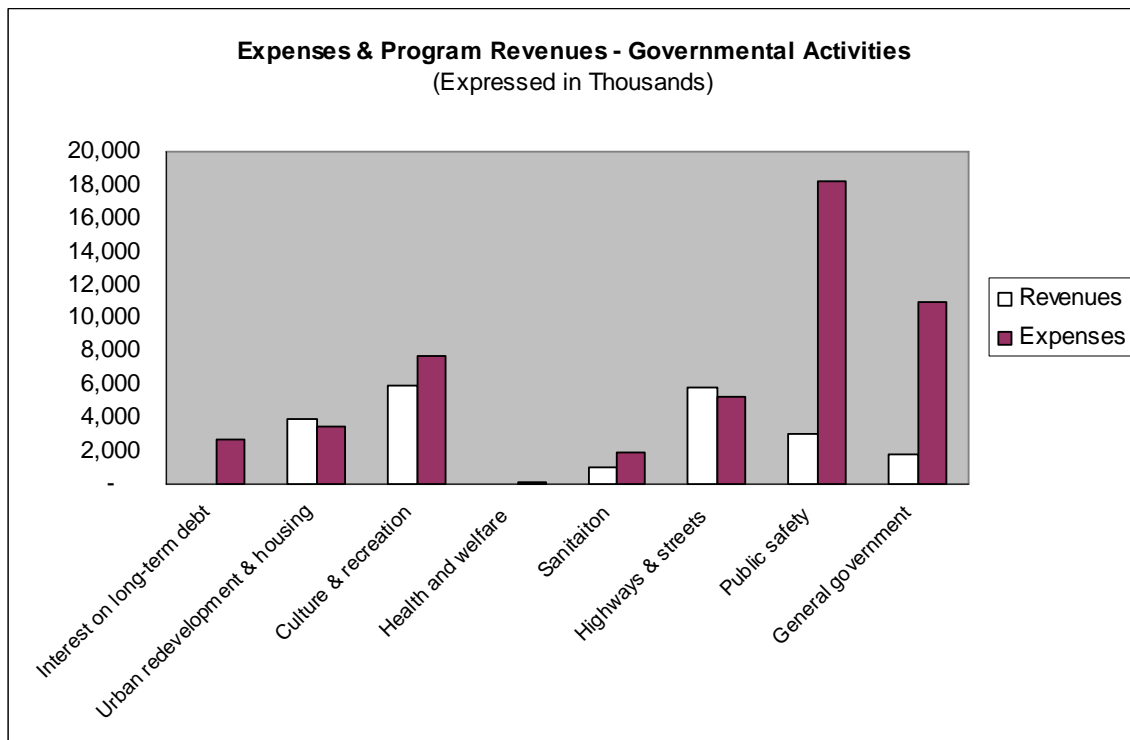
**City of Bloomington
Changes in Net Assets
(in thousands)**

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>		<u>Component units</u>	
	2006	2005	2006	2005	2006	2005	2006	2005
Revenues								
Program Revenues:								
Charges for services	8,704	8,323	24,624	23,056	33,328	31,379	1,127	1,062
Operating grants and contributions	8,557	6,231	-	-	8,557	6,231	2,312	1,929
Capital grants and contributions	4,176	5,165	209	-	4,385	5,165	997	1,328
General Revenues:	-	-	-	-	-	-	-	-
Property taxes	25,883	22,914	-	-	25,883	22,914	855	812
County Option Income Tax	9,845	6,596	-	-	9,845	6,596	297	251
Excise Tax	1,907	1,022	-	-	1,907	1,022	53	53
Other taxes	680	1,093	-	-	680	1,093	16	12
Contributions to the permanent fund	-	-	-	-	-	-	-	-
Grants and contributions not restricted to specific programs	1,338	1,078	-	-	1,338	1,078	-	-
Unrestricted investment earnings	1,015	879	854	258	1,869	1,137	119	86
Other	-	-	5	-	5	-	94	96
Total revenues	62,106	53,303	25,692	23,314	87,798	76,617	5,870	5,629
Expenses:								
General government	10,905	11,393	-	-	10,905	11,393	-	-
Public safety	18,233	19,422	-	-	18,233	19,422	-	-
Highways and streets	5,286	3,321	-	-	5,286	3,321	-	-
Sanitation	1,907	1,766	-	-	1,907	1,766	-	-
Health and welfare	57	126	-	-	57	126	-	-
Culture and recreation	7,703	5,756	-	-	7,703	5,756	-	-
Urban Redevelopment and Housing	3,498	4,977	-	-	3,498	4,977	-	-
Interest on long-term debt	2,680	3,002	-	-	2,680	3,002	-	-
Water	-	-	9,480	8,628	9,480	8,628	-	-
Wastewater	-	-	14,091	13,143	14,091	13,143	-	-
Bloomington Transit	-	-	-	-	-	-	5,804	5,712
Total Expenses	50,268	49,763	23,570	21,771	73,838	71,534	5,804	5,712
Increase in net assets before transfers	11,838	3,540	2,121	1,543	13,959	5,083	66	(83)
Special items								
Change in Accounting Principle	-	-	-	-	-	-	-	(43)
Extraordinary Gain	-	-	276	923	276	923	-	-
Prior Period Adjustment	-	-	-	(178)	-	(178)	-	-
Increase in net assets	11,838	3,540	2,397	2,289	14,235	5,829	66	(126)
Net assets -- January 1st	169,141	165,601	95,288	92,999	264,429	258,600	12,797	12,923
Net assets -- December 31st	180,979	169,141	97,685	95,288	278,664	264,429	12,863	12,797

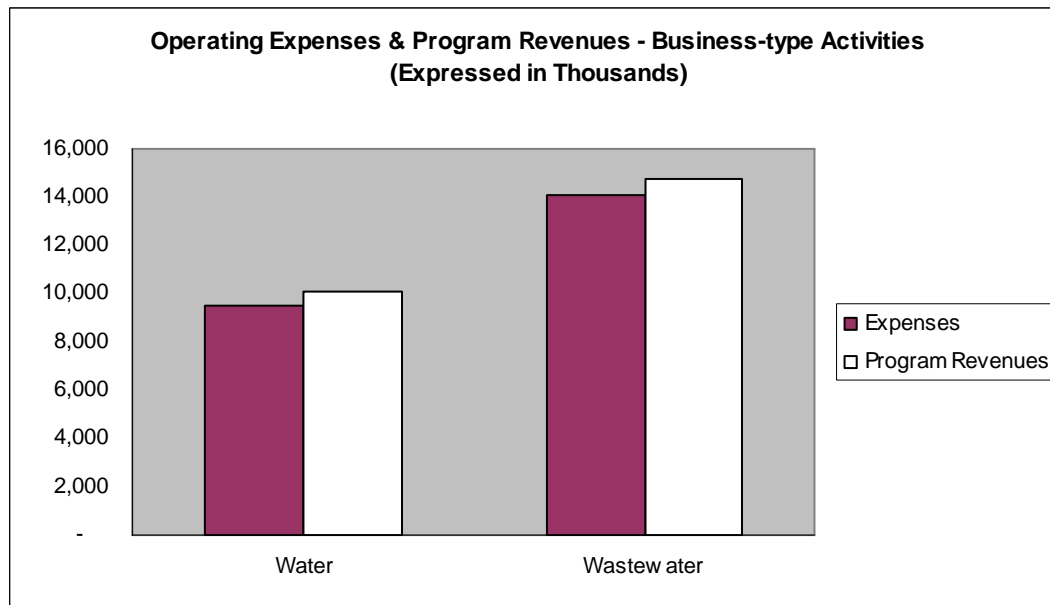
Governmental Activities. The net assets increased \$11.8 million in governmental activities. Property tax revenue increased by \$3 million for 2006 as compared to 2005. County option income tax (COIT) increased \$3.2 million. The graph of revenues by source for governmental activities shows that the City's main source of revenue is taxes with property tax as the largest single source.



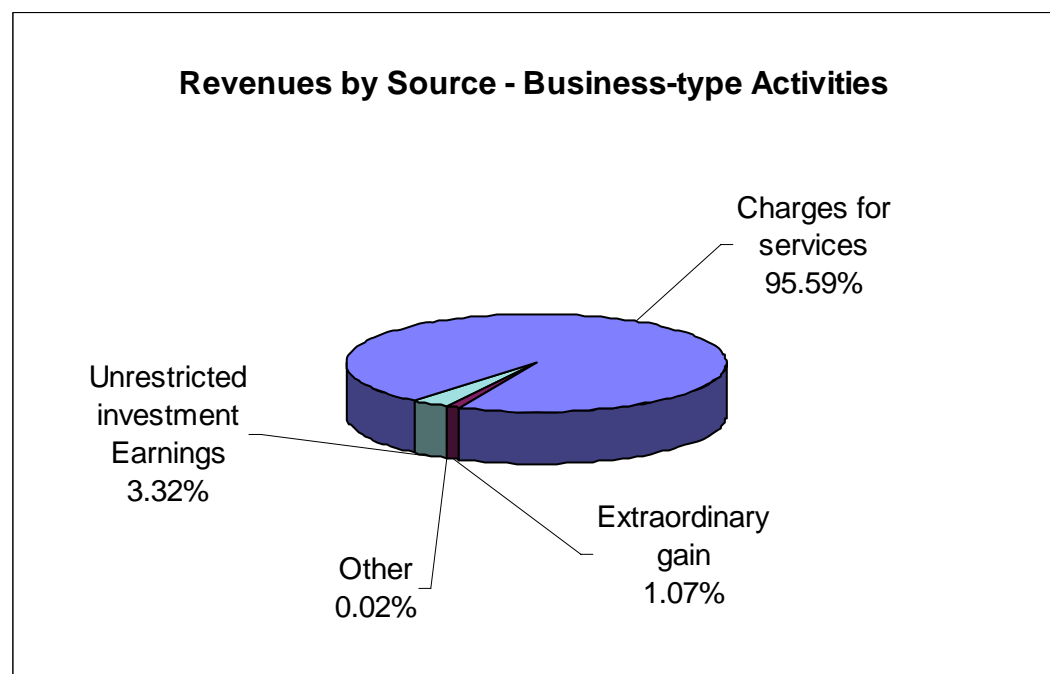
This next chart compares program revenues and expenses for the individual governmental activities for the current year. As the chart reflects, most governmental activities relied on general revenues to support the function.



Business-type Activities. During 2006, net assets for Business-type activities increased by \$2.4 million to \$97.7 million. This increase includes an increase of \$1.8 million in program revenues and an extraordinary gain of \$276,000. See Note IV-C on page II-42. Business-type activities represent 29 percent of the Primary Government's revenues and 32 percent of the expenses. The following chart compares program revenues to operating expenses by individual business-type activities for the current year.



The following chart shows that almost 96 percent of revenues for business-type activities are generated by charges for services and capital grants and contributions.



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The City's fund financial statements use modified accrual accounting providing information on near-term inflows, outflows, and balances of available resources. This provides the reader with useful information regarding the City's financial position. The unreserved fund balance on the City's governmental funds gives good insight into its ability to meet current obligations as well as meet the City's ongoing service needs.

At the end of 2006, the City's governmental funds reported combined ending fund balances of \$41.3 million, an increase of \$7.7 million in comparison with the prior year. Of that total, about \$18.5 million (45 percent) is unreserved fund balance. The remaining \$22.8 million (55 percent) is reserved for prior commitments. The reserved amount is for encumbrances (\$3.4 million), non-current loans receivable (\$4.5 million), debt service (\$1.2 million), capital projects (\$13.5 million), the permanent fund (\$6,000) and assets held for resale (\$140,000).

The largest portion of the City's governmental fund total is made up of the General Fund, the City's chief operating fund. At the end of 2006, the General Fund had an unreserved fund balance of \$6.7 million and a total fund balance of \$7.7 million. As a measure of the General fund's liquidity, you can compare the total fund balance and unreserved fund balance to the total fund expenditures. The General fund expenditures 2006 were \$24.7 million. The General Fund also had other financing uses of \$585,000. The total fund balance represents 31 percent of General Fund expenditures, while the unreserved fund balance is 27 percent of that same amount. According to the Budgetary Comparison Schedule (Non-GAAP) found on page III-1, General Fund revenues exceeded expenditures by \$3 million including operating transfers.

The fund balance of the City's General Fund increased \$3.6 million from \$4.1 million to \$7.7 million (88 percent) during fiscal year ended 2006. The increase can be attributed to property tax, license excise tax and county option income tax. Revenues exceeded expenditures by \$4.2 million, and transfers out netted \$585,000.

The City has three other funds that meet the major fund criteria: Parks, Streets and Roads, and Municipal Improvement. The combined fund balance at the end of 2006 for the other major funds is \$3.8 million (Parks \$669,000, Streets and Roads \$3.2 million, Municipal Improvement Fund \$0) with the Non-major governmental funds having a combined fund balance of \$29.8 million. The fund balance of the City's other major funds decreased by \$558,000 during fiscal year ended 2006, and the Non-major funds increased \$4.6 million which can be attributed to tax increment financing funds accumulating for future capital projects.

Proprietary funds. The City's proprietary funds use full accrual accounting to report information in their fund financial statements similar to the way things are reported in the government-wide financial statements.

Net assets of the City's major proprietary funds at the end of 2006 were \$97.7 million. Of that amount \$4.7 million is unrestricted. During 2006, net assets increased a total of \$2.4 million. Net assets of the City's non-major proprietary funds at the end of 2006 were \$2.4 million. This is a total increase of \$914,000. The increase includes \$82,000 resulting from a change in accounting principal for the Internal Service Fleet Maintenance Fund. See Note IV-B on page II-42. The total net assets of the City's non-major proprietary funds is considered unrestricted.

General Fund Budgetary Highlights

The original adopted budget for 2006 expenditures was \$25.6 million (including a \$585,000 Operating transfer), and the final amended budget was \$26.9 million including additional appropriations and prior year encumbrances. The General Fund budget increased by \$310,000 (or 1 percent). Actual expenditures were \$1,214,000 lower than the final amended budget. This amount does not include encumbrances as of December 31, 2006.

The original adopted budget for 2006 revenues was \$25.8 million, and no adjustments were made during the year. Actual revenues were \$2.9 million higher than the final amended budget. \$2 million of the positive budget variance can be attributed to property tax, license excise tax and county option income tax payments received in January, 2006 that should have been paid in December 2005.

Capital Asset and Debt Administration

Capital Assets. The City's Primary Government's capital assets as of December 31, 2006, equal \$370.1 million (net of accumulated depreciation). Capital assets include land, infrastructure, buildings and improvements, machinery and equipment, construction in progress, and transportation equipment. The total increase in the City's capital assets for the current fiscal year was \$2.4 million or 0.7 percent. The increase is comprised of a 0.3 percent increase for governmental activities and a 1.1 percent increase for business-type activities.

Governmental activities. Capital assets for the governmental activities total \$284.6 million with an accumulated depreciation figure of \$77.1 million for a net book value of \$207.4 million. The amount includes \$3 million in construction in progress reflecting capital projects in various stages of completion. During 2006, approximately \$9.6 million was spent on capital projects. The City chose to report its infrastructure assets using the depreciation method.

Business-type activities. Capital assets for business-type activities total \$249.6 million and have a net book value of \$162.7 million. The amount also includes \$20.1 million in construction in progress reflecting capital projects in various stages of completion.

Primary Government Capital Assets, net of depreciation (in thousands)

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	2006	2005	2006	2005	2006	2005
Land	\$112,527	\$ 110,936	\$ 1,626	\$ 1,631	\$114,153	\$112,567
Construction in progress	2,978	4,066	20,115	20,149	23,093	24,215
Buildings	32,611	30,851	21,771	20,702	54,382	51,553
Improvements other than buildings	11,545	10,036	107,411	111,071	118,956	121,107
Machinery and equipment	6,707	7,101	11,458	6,729	18,165	13,830
Infrastructure	41,061	43,724	-	-	41,061	43,724
Utility plant acquisition adjustment	-	-	39	42	39	42
Transportation equipment	-	-	232	616	232	616
Total Net Capital Assets	\$207,429	\$ 206,714	\$ 162,652	\$ 160,940	\$370,081	\$367,654

Additional information on the City's capital assets can be found in Note III-C on pages II-31 through II-34 of this report.

Long-term debt. At the end of the current fiscal year, the City's Primary Government had total bonded debt outstanding of \$58.4 million. Of this amount, \$15.9 million is considered to be general obligation bonds. The City is responsible to pay for this debt with general revenues. The remaining \$42.5 million is revenue bonds that are paid for from the revenues earned by the business-type fund that is responsible for the debt.

**Primary Government
Long-term Debt**

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	2006	2005	2006	2005	2006	2005
General obligation bonds	\$15,895,000	\$16,740,000	\$ -	\$ -	\$15,895,000	\$16,740,000
Compensated absences payable	749,936	665,905	219,409	155,884	969,345	821,789
Revenue bonds payable	-	-	42,484,860	30,645,070	42,484,860	30,645,070
Notes and loans payable	-	-	41,582,638	44,753,257	41,582,638	44,753,257
Capital lease obligations	27,564,223	28,854,387	1,869,707	2,122,295	29,433,930	30,976,682
Net pension obligation	23,406,892	23,174,309	-	-	23,406,892	23,174,309
Total	\$67,616,051	\$69,434,601	\$86,156,614	\$77,676,506	\$153,772,665	\$147,111,107

During 2006, the City's total debt increased by \$6.7 million. This net increase is due to increases in loans payable, revenue bonds payable, net pension obligation and compensated absences.

The City of Bloomington currently maintains an AA- rating from Standard & Poor's, AA from Fitch, and Aa3 from Moody's.

Additional information on the City's long-term debt can be found in Notes III-F through III-G on pages II-35 through II-40 of this report.

Economic Factors and 2007 Budgets and Rates

- The unemployment rate for the City is currently 4.6 percent, which is down from a rate of 5.1 percent a year ago. This is below the state's average unemployment rate of 5.0 percent, and is equal to the national average of 4.6 percent.
- As noted earlier, the largest single source of revenue for governmental activities is property tax. Due to a court ordered change in assessment methods, Indiana has seen several years of changing property tax legislation. Until 2002, property values were based on a system called "true tax value." Assessed values are now based on market comparisons and trending. Modifications to property tax laws are expected to continue.
- In 2006 the City experienced a 21% increase in county option income tax revenue. (The average is five percent.) Future county option income tax revenue is expected to increase roughly five percent per year based on this new level of income.
- The City does not anticipate a utility rate increase or significant property tax rate increase to be in effect during 2007.

These factors along with others were considered when preparing the City's budget for the 2007 fiscal year.

Request for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to the City's Controller's Office, 401 N. Morton Street, Bloomington, Indiana, 47404.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF NET ASSETS
December 31, 2006

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
<u>Assets</u>				
Cash and cash equivalents-unrestricted	\$ 25,557,451	\$ 7,144,517	\$ 32,701,968	\$ 1,281,464
Cash with fiscal agent-unrestricted	255,000	-	255,000	-
Investments-unrestricted	10,440,350	-	10,440,350	-
Receivables (net of allowances for uncollectibles):				
Interest	79,315	7,203	86,518	5,945
Taxes	957,476	-	957,476	33,645
Accounts	-	748,596	748,596	17,716
Other	189,346	-	189,346	-
Intergovernmental	2,732,499	-	2,732,499	-
Loans	4,528,793	-	4,528,793	-
Internal balances	1,043,867	(1,043,867)	-	-
Grant	-	-	-	490,477
Inventories	264,567	670,698	935,265	348,089
Prepaid expense	-	-	-	21,706
Land held for resale	139,650	-	139,650	-
Restricted assets:				
Cash and cash equivalents	-	16,183,709	16,183,709	1,154,356
Deferred charges	-	881,475	881,475	-
Capital assets:				
Land, improvements and construction in progress	115,505,406	21,779,414	137,284,820	-
Other capital assets, net of depreciation	91,924,367	140,872,384	232,796,751	9,814,314
Total assets	253,618,087	187,244,129	440,862,216	13,167,712
<u>Liabilities</u>				
Accounts payable	1,074,816	704,227	1,779,043	138,426
Accrued payroll and withholdings payable	931,471	372,904	1,304,375	134,321
Taxes payable	-	37,465	37,465	-
Estimated unfilled claims	321,381	-	321,381	-
Accrued interest payable	2,695,435	-	2,695,435	-
Customer deposits	-	36,275	36,275	-
Accrued bond interest	-	1,622,481	1,622,481	-
Unearned and unavailable revenue	-	92,091	92,091	32,003
Noncurrent liabilities:				
Due within one year:				
Compensated absences payable	190,650	76,422	267,072	-
Capital lease obligations	1,671,982	243,479	1,915,461	-
General obligation bonds payable	875,000	-	875,000	-
Notes and loans payable	-	1,501,076	1,501,076	-
Revenue bonds - due within one year	-	1,825,000	1,825,000	-
Due in more than one year:				
General obligation bonds payable	15,020,000	-	15,020,000	-
Advances for construction	-	536,912	536,912	-
Compensated absences payable	559,286	142,987	702,273	-
Revenue bonds payable	-	40,659,860	40,659,860	-
Notes and loans payable	-	40,081,562	40,081,562	-
Capital lease obligations	25,892,241	1,626,228	27,518,469	-
Net pension obligation	23,406,892	-	23,406,892	-
Total liabilities	72,639,154.00	89,558,969.00	162,198,123.00	304,750.00
<u>Net assets</u>				
Invested in capital assets, net of related debt	163,970,550	76,769,186	240,739,736	9,814,314
Restricted for:				
Permanent fund	45,481	-	45,481	-
Debt service	-	6,730,372	6,730,372	-
Construction	-	9,443,712	9,443,712	-
Unrestricted	16,962,902	4,741,890	21,704,792	3,048,648
Total net assets	\$ 180,978,933	\$ 97,685,160	\$ 278,664,093	\$ 12,862,962

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2006

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Government		Component Unit
				Governmental Activities	Business-Type Activities	
Primary government:						
Governmental activities:						
General government	\$ 10,905,172	\$ 1,531,217	\$ 273,368	\$ (9,100,587)	\$ -	\$ (9,100,587)
Public safety	18,233,175	2,550,230	410,311	(15,247,634)	-	(15,247,634)
Highways and streets	5,285,675	19,541	4,352,169	537,300	-	537,300
Sanitation	1,907,335	1,032,795	-	(874,540)	-	(874,540)
Health and welfare	56,607	-	3,750	(52,857)	-	(52,857)
Culture and recreation	7,702,810	2,855,926	328,261	(1,818,623)	-	(1,818,623)
Urban redevelopment and housing	3,497,604	714,753	3,189,304	406,453	-	406,453
Interest on long-term debt	2,679,542	-	-	(2,679,542)	-	(2,679,542)
Total governmental activities	50,267,920	8,704,462	8,557,163	(28,830,030)	-	(28,830,030)
Business-type activities:						
Water	9,479,718	9,934,728	-	-	601,163	601,163
Wastewater	14,090,761	14,689,247	-	-	661,227	661,227
Total business-type activities	23,570,479	24,623,975	-	-	1,262,390	1,262,390
Total primary government	73,838,399	33,328,437	8,557,163	(28,830,030)	1,262,390	(27,567,640)
Component unit:						
Bloomington Transit	5,803,790	1,126,590	2,311,967	-	-	(1,367,821)
General revenues:						
Property taxes				25,883,012	-	25,883,012
County option income tax				9,845,152	-	9,845,152
Excise tax				1,906,569	-	1,906,569
Other taxes				679,860	-	679,860
Grants and contribution not restricted to specific programs				1,338,221	-	1,338,221
Unrestricted investment earnings				1,015,030	854,215	1,869,245
Other				-	4,727	4,727
Special and extraordinary items:						
Extraordinary gain (Note IV-C)				-	275,831	275,831
Total general revenues, special items, and transfers				40,667,844	1,134,773	41,802,617
Change in net assets				11,837,814	2,397,163	14,234,977
Net assets - beginning, as originally reported				169,141,119	95,287,997	264,429,116
Net assets - beginning, restated				-	-	-
Net assets - ending				169,141,119	95,287,997	264,429,116
Net assets - ending				\$ 180,978,933	\$ 97,685,160	\$ 278,664,093
						\$ 12,862,962

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
BALANCE SHEET GOVERNMENTAL FUNDS
December 31, 2006

<u>Assets</u>	<u>General</u>	<u>Park</u>	<u>Street & Road</u>	<u>Municipal Improvement</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
Cash and cash equivalents	\$ 6,029,004	\$ 865,537	\$ 2,863,100	\$ -	\$ 14,002,096	\$ 23,759,737
Cash with fiscal agent	-	-	-	-	255,000	255,000
Investments	-	-	-	-	10,440,350	10,440,350
Receivables (net of allowances for uncollectibles):						
Interest	44,629	-	-	-	34,157	78,786
Taxes	534,372	149,860	-	-	273,244	957,476
Accounts	-	-	-	-	-	-
Intergovernmental	1,422,679	9,239	458,839	-	841,742	2,732,499
Loans	-	-	-	-	4,528,793	4,528,793
Other	10,964	3,420	4,649	-	168,065	187,098
Interfund receivable	1,310,117	-	5,000	-	2,248	1,317,365
Land held for resale	-	-	-	-	139,650	139,650
Total assets	\$ 9,351,765	\$ 1,028,056	\$ 3,331,588	\$ -	\$ 30,685,345	\$ 44,396,754
<u>Liabilities and fund balances</u>						
Liabilities:						
Accounts payable	\$ 157,901	\$ 103,585	\$ 99,967	\$ -	\$ 565,065	\$ 926,518
Accrued payroll and withholdings payable	931,471	-	-	-	-	931,471
Interfund payable	13,768	105,974	74,937	-	95,438	290,117
Deferred revenue - Unearned	534,372	149,860	-	-	273,244	957,476
Total liabilities	1,637,512	359,419	174,904	-	933,747	3,105,582
Fund balances:						
Reserved for:						
Encumbrances	1,022,242	368,754	1,120,427	-	875,138	3,386,561
Land held for resale	-	-	-	-	139,650	139,650
Noncurrent loans receivable	-	-	-	-	4,458,911	4,458,911
Debt service funds	-	-	-	-	1,249,774	1,249,774
Capital projects funds	-	-	-	-	13,542,801	13,542,801
Permanent fund	-	-	-	-	5,870	5,870
Unreserved, reported in:						
General fund	6,692,011	-	-	-	-	6,692,011
Special revenue funds	-	299,883	2,036,257	-	9,433,973	11,770,113
Permanent funds	-	-	-	-	45,481	45,481
Total fund balances	7,714,253	668,637	3,156,684	-	29,751,598	41,291,172
Total liabilities and fund balances	\$ 9,351,765	\$ 1,028,056	\$ 3,331,588	\$ -	\$ 30,685,345	\$ 44,396,754

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
Reconciliation of the Balance Sheet to the Statement of Net Assets
Governmental Funds
December 31, 2006

Total fund balances for governmental funds

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and therefore, are not reported in the funds.

Those assets consist of:

Land	112,527,388
Infrastructure, net of \$45,816,148 accumulated depreciation	41,060,989
Construction in progress	2,978,018
Improvements other than buildings, net of \$5,960,358 accumulated depreciation	11,545,324
Buildings, net of \$14,686,288 accumulated depreciation	31,972,289
Machinery and equipment, net of \$10,314,093 accumulated depreciator	<u>6,647,808</u>
Total capital assets	

Internal services funds are used by the City to account for the financing of goods or services provided by one department or agency to other City departments or agencies, generally on a cost reimbursement basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets are:

City collections and expenditures related to 2006 will be collected or expended beyond the 60 day period used to record revenue and expenditures in the fund statements. Revenue and a corresponding receivable and expenditure and a corresponding payable for this amount are included in the government-wide statements.

Property tax collections and state shared revenue appropriated during 2006 will be collected beyond the 60 day period used to record revenue in the fund statements. Revenue and a corresponding receivable for the amount appropriated but not received by December 31, 2006 are included in the government-wide statements.

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and therefore, are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net assets. Also, during the year the City entered into new capital leases.

Balances at December 31, 2006 are:

Bonds payable	15,895,000
Bond interest payable	731,515
Leases payable	27,564,224
Lease interest payable	1,963,920
Compensated absences payable	<u>735,759</u>
Total long-term liabilities	

Net pension obligations, including the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan are not due and payable in the current period and therefore, are not reported in the funds, but are included in the government-wide statements.

Total net assets of governmental activities

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2006

	General	Park	Street & Road	Municipal Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 14,516,103	\$ 4,063,595	\$ -	\$ -	\$ 7,194,839	\$ 25,774,537
Licenses and permits	60,744	-	-	-	-	60,744
Intergovernmental	10,905,158	315,344	4,352,169	-	5,322,039	20,894,710
Charges for services	1,869,832	1,055,085	-	-	4,374,010	7,298,927
Fines and forfeits	399,764	-	-	-	974,596	1,374,360
Other	1,157,498	22,465	39,297	-	1,235,085	2,454,345
Total revenues	<u>28,909,099</u>	<u>5,456,489</u>	<u>4,391,466</u>	<u>-</u>	<u>19,100,569</u>	<u>57,857,623</u>
Expenditures:						
Current:						
General government	6,864,089	-	-	-	277,982	7,142,071
Public safety	16,584,607	-	-	-	2,167,456	18,752,063
Highways and streets	446,703	-	4,847,380	-	-	5,294,083
Sanitation	438	-	-	-	1,811,289	1,811,727
Health and welfare	272	-	-	-	45,947	46,219
Culture and recreation	5,141	5,413,514	-	-	2,235,171	7,653,826
Urban redevelopment and housing	802,121	-	-	-	2,512,143	3,314,264
Debt service:						
Principal	-	-	-	-	1,892,211	1,892,211
Interest	-	-	-	-	2,221,784	2,221,784
Capital outlay	-	-	-	366,999	2,075,829	2,442,828
Total expenditures	<u>24,703,371</u>	<u>5,413,514</u>	<u>4,847,380</u>	<u>366,999</u>	<u>15,239,812</u>	<u>50,571,076</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,205,728</u>	<u>42,975</u>	<u>(455,914)</u>	<u>(366,999)</u>	<u>3,860,757</u>	<u>7,286,547</u>
Other financing sources (uses):						
Transfers in	-	-	-	-	2,737,414	2,737,414
Transfers out	(585,000)	(139,500)	(5,000)	-	(2,007,914)	(2,737,414)
Capital leases	-	-	-	366,999	-	366,999
Total other financing sources and uses	<u>(585,000)</u>	<u>(139,500)</u>	<u>(5,000)</u>	<u>366,999</u>	<u>729,500</u>	<u>366,999</u>
Net change in fund balances	<u>3,620,728</u>	<u>(96,525)</u>	<u>(460,914)</u>	<u>-</u>	<u>4,590,257</u>	<u>7,653,546</u>
Fund balances - beginning	<u>4,093,525</u>	<u>765,162</u>	<u>3,617,598</u>	<u>-</u>	<u>25,161,341</u>	<u>33,637,626</u>
Fund balances - ending	<u>\$ 7,714,253</u>	<u>\$ 668,637</u>	<u>\$ 3,156,684</u>	<u>\$ -</u>	<u>\$ 29,751,598</u>	<u>\$ 41,291,172</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2006

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds (Statement of Revenues, Expenditures and Changes in Fund Balances).	7,653,546
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	(675,387)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets:	4,176,265
The increases in net pension obligations for the 1925 Police Officers' Pension Plan, the 1937 Firefighters' Pension Plan and the Public Employees' Retirement Fund, reported as expenses in the statement of activities, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds	(232,583)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds, and some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(108,475)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.	(645,651)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,502,163
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	<u>(832,064)</u>
Change in net assets of governmental activities (statement of activities)	<u><u>11,837,814</u></u>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2006

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Utility	Wastewater Utility	Total	
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 2,568,891	\$ 4,575,626	\$ 7,144,517	\$ 1,797,714
Interest receivable	2,702	4,501	7,203	529
Accounts receivable	210,305	538,291	748,596	-
Interfund receivables:				
Interfund services provided and used	-	-	-	37,786
Inventories	670,698	-	670,698	264,567
Total current assets	3,452,596	5,118,418	8,571,014	2,100,596
Noncurrent assets:				
Restricted cash and cash equivalents:				
Cash with fiscal agent	1,324,281	2,774,200	4,098,481	-
Construction cash and cash equivalents	3,855,988	5,587,724	9,443,712	-
Debt Service Reserve	3,031	2,426	5,457	-
Debt reserve cash and cash equivalents	429,389	2,197,045	2,626,434	-
Cash hydrant meter rental	9,625	-	9,625	-
Total restricted assets:	5,622,314	10,561,395	16,183,709	-
Deferred charges	293,426	588,049	881,475	-
Capital assets:				
Land, improvements to land and construction in progress	11,953,300	9,826,114	21,779,414	-
Other capital assets (net of accumulated depreciation)	54,605,257	86,267,127	140,872,384	697,955
Total capital assets	66,558,557	96,093,241	162,651,798	697,955
Total noncurrent assets	72,474,297	107,242,685	179,716,982	697,955
Total assets	75,926,893	112,361,103	188,287,996	2,798,551
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	274,833	429,394	704,227	90,524
Accrued payroll and withholdings	135,595	237,309	372,904	-
Taxes payable	37,465	-	37,465	-
Estimated Unfiled Claims	-	-	-	321,381
Interfund payables:				
Interfund services provided and used	456,075	587,792	1,043,867	21,167
Compensated absences payable-short term	24,885	51,537	76,422	4,507
Capital lease payable	14,900	228,579	243,479	-
Notes and loans payable	498,076	1,003,000	1,501,076	-
Unearned revenue	-	92,091	92,091	-
Customer deposits	8,775	27,500	36,275	-
Revenue bonds payable	1,080,000	745,000	1,825,000	-
Accrued interest payable	596,281	1,026,200	1,622,481	-
Total current liabilities	3,126,885	4,428,402	7,555,287	437,579
Noncurrent liabilities:				
Revenue bonds payable (net of unamortized discounts and premium and deferral of loss on refunding)	10,963,451	29,696,409	40,659,860	-
Notes and loans payable	21,715,516	18,366,046	40,081,562	-
Capital leases payable	63,850	1,562,378	1,626,228	-
Compensated absences payable	47,563	95,424	142,987	9,670
Advances for Construction	536,912	-	536,912	-
Total noncurrent liabilities	33,327,292	49,720,257	83,047,549	9,670
Total liabilities	36,454,177	54,148,659	90,602,836	447,249
<u>Net assets</u>				
Invested in capital assets, net of related debt	32,277,355	44,491,831	76,769,186	697,955
Restricted for:				
Construction	3,855,988	5,587,724	9,443,712	-
Debt Service	1,756,701	4,973,671	6,730,372	-
Unrestricted	1,582,672	3,159,218	4,741,890	1,653,347
Total net assets	\$ 39,472,716	\$ 58,212,444	\$ 97,685,160	\$ 2,351,302

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended December 31, 2006

	Enterprise Funds			Internal
	Water Utility	Wastewater Utility	Total	Service Funds
Operating Revenues:				
Customer revenue	\$ 8,558,514	\$ 12,022,257	\$ 20,580,771	\$ 7,992,546
Fire protection revenue	787,075	-	787,075	-
Stormwater revenue	-	1,374,189	1,374,189	-
Tap fees	223,663	990,677	1,214,340	-
Other	337,193	258,064	595,257	16,917
Total operating revenues	9,906,445	14,645,187	24,551,632	8,009,463
Operating expenses:				
Administrative and general expense:				
Salaries and wages	755,462	1,149,275	1,904,737	604,178
Employee pensions and benefits	666,377	951,300	1,617,677	4,776,757
Insurance	122,384	191,281	313,665	-
General office and miscellaneous expense	86,430	126,800	213,230	372,516
Materials and supplies	-	-	-	1,049,306
Utilities	299,721	157,413	457,134	-
Taxes	277,304	291,728	569,032	-
Depreciation	1,694,200	2,863,677	4,557,877	43,596
Amortization	3,040	-	3,040	-
Interdepartmental Funding Agreement	259,263	388,893	648,156	-
In Lieu of Taxes	193,757	191,415	385,172	-
Other services	111,906	226,661	338,567	470,555
Stormwater	-	518,143	518,143	-
Source of supply and expense/collection system expense:				
operations and maintenance	619,596	1,215,159	1,834,755	-
Transmission and distribution/pumping expense:				
operations and maintenance	1,380,233	326,816	1,707,049	-
Treatment and disposal expense - operations and maintenance:				
Salaries and wages	582,596	1,395,512	1,978,108	-
Operation expense	213,742	772,642	986,384	-
Maintenance	57,951	234,767	292,718	-
Treatment PCB	-	102,162	102,162	-
Sludge removal expense	-	15,270	15,270	-
Chemicals	388,319	124,144	512,463	-
Customer accounts expense	509,560	621,013	1,130,573	-
Total operating expenses	8,221,841	11,864,071	20,085,912	7,316,908
Operating income	1,684,604	2,781,116	4,465,720	692,555
Nonoperating revenues (expenses):				
Interest and investment revenue	309,912	544,303	854,215	139,509
Miscellaneous revenue	28,283	44,060	72,343	-
Gain / loss on the sale of assets	4,727	-	4,727	-
Amortization of bond issue costs	(12,321)	(24,183)	(36,504)	-
Interest expense	(1,244,926)	(2,200,797)	(3,445,723)	-
Miscellaneous expense	(630)	(1,710)	(2,340)	-
Total nonoperating revenue (expenses)	(914,955)	(1,638,327)	(2,553,282)	139,509
Income before contributions and special items	769,649	1,142,789	1,912,438	832,064
Contributions	146,153	62,741	208,894	-
Extraordinary gain (Note IV-C)	110,332	165,499	275,831	-
Change in net assets	1,026,134	1,371,029	2,397,163	832,064
Net assets - beginning, as originally reported	38,446,582	56,841,415	95,287,997	1,437,492
Change in accounting principal (Note IV-B)	-	-	-	81,746
Net assets - beginning, restated	38,446,582	56,841,415	95,287,997	1,519,238
Total net assets - ending	39,472,716	58,212,444	97,685,160	2,351,302

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2006

	Enterprise Funds			Internal Service Funds
	Water Utility	Wastewater Utility	Total	
Cash flows from operating activities:				
Receipts from customers and users	\$ 9,535,976	\$ 14,369,322	\$ 23,905,298	\$ 8,015,768
Payments to suppliers	(2,931,157)	(3,027,744)	(5,958,901)	(6,836,136)
Payments to employees	(2,800,625)	(4,973,686)	(7,774,311)	(601,182)
Other receipts and payments	370,701	296,719	667,420	-
Payments for interfund services used	(322,397)	(133,346)	(455,743)	-
Net cash provided by operating activities	<u>3,852,498</u>	<u>6,531,265</u>	<u>10,383,763</u>	<u>578,450</u>
Cash flows from noncapital financing activities:				
Extraordinary gain (Insurance claim proceeds)	<u>110,332</u>	<u>165,499</u>	<u>275,831</u>	-
Net cash provided by noncapital financing activities	<u>110,332</u>	<u>165,499</u>	<u>275,831</u>	-
Cash flows from capital and related financing activities:				
Proceeds from capital debt	5,320,000	8,090,000	13,410,000	-
Capital Contributions	146,154	62,740	208,894	-
Bond Issue Costs	(205,000)	(267,290)	(472,290)	-
Acquisition and construction of capital assets	(1,736,527)	(1,345,241)	(3,081,768)	-
Principal paid on capital debt	(3,973,667)	(4,335,325)	(8,308,992)	-
Interest paid on capital debt	(1,077,057)	(1,896,179)	(2,973,236)	-
Proceeds from sales of capital assets	<u>4,727</u>	<u>-</u>	<u>4,727</u>	-
Net cash used by capital and related financing activities	<u>(1,521,370)</u>	<u>308,705</u>	<u>(1,212,665)</u>	-
Cash flows from investing activities:				
Interest received	<u>308,069</u>	<u>544,303</u>	<u>852,372</u>	<u>139,132</u>
Net cash provided (used) by investing activities	<u>308,069</u>	<u>544,303</u>	<u>852,372</u>	<u>139,132</u>
Net increase (decrease) in cash and cash equivalents	2,749,529	7,549,772	10,299,301	717,582
Cash and cash equivalents, January 1 (Including \$6,150, \$2,566,331, 1,185,840, and \$8,250 and \$7,013, \$462,861, and \$3,024,335 for the water and wastewater utility, respectively, reported in restricted accounts)	<u>5,437,718</u>	<u>7,587,249</u>	<u>13,024,967</u>	<u>1,080,132</u>
Cash and cash equivalents, December 31 (Including \$3,031, \$3,855,988, \$1,324,281, \$9,625, \$429,389 and \$2,426, \$5,587,724, \$2,197,045, and \$2,774,200 for the water and wastewater utility, respectively, reported in restricted accounts)	<u>8,187,247</u>	<u>15,137,021</u>	<u>23,324,268</u>	<u>1,797,714</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	<u>1,684,604</u>	<u>2,781,118</u>	<u>4,465,722</u>	<u>692,555</u>
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	1,694,200	2,863,677	4,557,877	43,596
Amortization expense	3,040	-	3,040	-
Nonoperating income (expense)	27,653	42,349	70,002	-
Change in assets and liabilities:				
Accounts receivable	(33,801)	(11,052)	(44,853)	-
Interest Receivable	-	(3,694)	(3,694)	-
Interfund receivables	-	-	-	6,335
Due from other funds	118,298	140,370	258,668	-
Inventories	(50,571)	-	(50,571)	(33,219)
Change in liabilities:				
Customer deposits	525	-	525	-
Accounts payable	60,877	204,517	265,394	1,911
Accrued payroll and withholdings	3,260	6,546	9,806	-
Employee benefits payable	6,272	6,893	13,165	-
Taxes payable	5,854	-	5,854	-
Compensated absence payable	20,241	43,284	63,525	(1,269)
Interfund payables	452,415	582,302	1,034,717	1,777
Due to other funds	(140,369)	(118,297)	(258,666)	-
Deferred revenue	-	(6,748)	(6,748)	-
Estimated unfilled claims	-	-	-	(133,236)
Total adjustments	<u>2,167,894</u>	<u>3,750,147</u>	<u>5,918,041</u>	<u>(114,105)</u>
Net cash provided by operating activities	<u>3,852,498</u>	<u>6,531,265</u>	<u>10,383,763</u>	<u>578,450</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2006

<u>Assets</u>	Pension Trust Funds	Private-Purpose Trust Fund
Cash and cash equivalents	\$ 3,620,405	\$ -
Receivables:		
Taxes	65,754	-
Intergovernment	4,054	-
Interest	11,794	-
Total receivables	81,602	-
Investments at fair value:		
Certificate of deposit	1,626,550	8,189
Participation in investment pools of other governments	1,545,513	-
Total investments	3,172,063	8,189
Total assets	6,874,070	8,189
<u>Liabilities</u>		
Unearned revenue	65,754	-
Total liabilities	65,754	-
<u>Net assets</u>		
Held in trust for:		
Employees' pension benefits	6,808,316	-
Individuals, organizations and other governments	-	8,189
Total net assets	\$ 6,808,316	\$ 8,189

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended December 31, 2006

	Pension Trust Funds	Private-Purpose Trust Fund
<u>Additions</u>		
Contributions:		
Employer contributions	\$ 3,724,899	\$ -
Plan members	9,814	-
Other contributions	<u>260</u>	<u>-</u>
Total contributions	<u>3,734,973</u>	<u>-</u>
Investment income:		
Interest	<u>361,582</u>	<u>202</u>
Total investment income	<u>361,582</u>	<u>202</u>
Total additions	<u>4,096,555</u>	<u>202</u>
<u>Deductions</u>		
Benefits	3,255,670	-
Administrative expense	<u>6,924</u>	<u>-</u>
Total deductions	<u>3,262,594</u>	<u>-</u>
Changes in net assets	<u>833,961</u>	<u>202</u>
Net assets - beginning	<u>5,974,355</u>	<u>7,987</u>
Net assets - ending	<u>\$ 6,808,316</u>	<u>\$ 8,189</u>

The notes to the financial statements are an integral part of this statement.

CITY OF BLOOMINGTON
NOTES TO FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

A. Reporting Entity

The City of Bloomington (City) was established under the laws of the State of Indiana. The primary government operates under a Council-Mayor form of government and provides the following services: public safety (police and fire), highways and streets, health, welfare and social services, culture and recreation, public improvements, planning and zoning, general administrative services, water, sewer, urban redevelopment and housing, and sanitation.

The accompanying financial statements present the activities of the city and its significant component unit. The component unit discussed below is included in the city's reporting entity because of the significance of their operational or financial relationships with the city. Discretely presented component units are involved in activities of an operational nature independent from the government; their transactions are reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely Presented Component Unit

The Public Transportation Corporation (Transit) is a significant discretely presented component unit of the city. The city appoints a voting majority of Transit's board and a financial benefit/burden relationship exists between the city and Transit.

Transit is a significant discretely presented component unit of the city. Transit is fiscally dependent on the city. It would be misleading to exclude Transit from the city's financial statements because of its relationship with the city.

Complete financial statements of the individual component unit may be obtained from its administrative office:

Bloomington Public Transportation Corporation
130 West Grimes Lane
Bloomington, Indiana 47401

B. Government-Wide and Fund Financial Statements

Government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the city. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the city is reported separately from certain legally separate component units for which the city is financially accountable.

The statement of activities demonstrates the degree to which direct expenses of a given function or segments are offset by program revenues. Direct expenses are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the city receives cash.

The city reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Street and Road Fund (special revenue) accounts for the financial resources and expenses for construction, operation and maintenance of local and arterial road and street systems. The Motor Vehicle Highway and Local Road and Street Funds have been combined to form the Street and Road Fund.

The Park Fund (special revenue) accounts for the financial resources and expenses for the construction, operation and maintenance of the City's park system.

The city reports the following major proprietary funds:

The Water Utility Fund accounts for the operation of the city's water distribution system.

The Wastewater Utility Fund accounts for the operation of the city's wastewater treatment plant, pumping stations and collection systems.

Additionally, the city reports the following fund types:

The internal service funds account for Worker's Compensation, Fleet Maintenance, and Health Insurance Trust services provided to other departments on a cost-reimbursement basis.

The pension trust funds account for the activities of the 1925 police and 1937 fire pension funds which accumulate resources for pension benefit payments.

The private-purpose trust fund reports a trust arrangement under which principal and income are to be used for sidewalks and improvements in the year 2076.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The city has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the water, wastewater, and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the city's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

1. Deposits and Investments

The city's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statute (IC 5-13-9) authorizes the primary government to invest in securities, including but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units, including the authorization to invest local pension funds in an external investment pool administered by the state public employee retirement system.

Nonparticipating interest bearing investment contracts, certificates of deposit, demand deposits and similar nonparticipating negotiable instruments that are not reported as cash and cash equivalents are reported as investments at cost.

The investments of the City consisted of amounts invested with an external investment pool reported at fair value and nonparticipating interest earning investment contracts reported at cost.

The investments of Transit consisted entirely of nonparticipating interest earning investment contracts and are reported at cost.

Investment income, including changes in the fair value of investments, is reported as revenue in the operating statement.

The City has invested \$1,545,313 in an external investment pool administered by the Public Employees' Retirement Fund Board of Trustees in accordance with IC 5-11-10.3-4.7. The fair value of the position in the pool is the same as the value of the pool shares. There is no regulatory oversight of the pool.

2. Interfund Transactions and Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund receivables/payables (i.e., the current and non-current portion of interfund loans). All other outstanding balances between funds are reported as "interfund services provided/used." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

3. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the city in June and in December. State statutes (IC 6-1.1-17-16) require the Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Department of Local Government Finance). Taxes may be paid in two equal installments that become delinquent if not paid by May 10 and November 10, respectively. Delinquent property taxes outstanding at year end for governmental and/or proprietary funds, net of allowances for uncollectible accounts, are recorded as a receivable with an offset to deferred revenue since the amounts are not considered available.

4. Inventories and Prepaid Items

All inventories are valued at cost using the first in/first out (FIFO) method, and consist of maintenance supplies and replacement parts held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Inventories for Transit consist of materials and supplies for repair and maintenance and are recorded using the average cost method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net assets balance sheet because they are maintained separately and their use is limited by ordinance or applicable bond covenants.

6. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The city's retroactive infrastructure has been included in the capital assets beginning balance.

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation methods and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Depreciation Method	Estimated Useful Life
Governmental Activities:			
Buildings	\$ 10,000	Straight-line	50
Improvements	10,000	Straight-line	10-25
Equipment	10,000	Straight-line	2 to 15
Infrastructure	10,000	Straight-line	5 to 50
Business-type Activities – Utilities			
Buildings	5,000	Straight-line	40 to 60
Improvements	5,000	Straight-line	10 to 80
Equipment	5,000	Straight-line	5 to 30
Component Unit - Transit			
Buildings	10,000	Straight-line	50
Improvements	10,000	Straight-line	10-25
Equipment	10,000	Straight-line	2 to 15

For depreciated assets, the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

7. Compensated Absences

Paid time off (PTO) is earned by part and full-time employees based on the number of years employed and ranges from seven days to twenty-two days per year. PTO leave may be used for any purpose. PTO leave that has been credited and earned can be carried forward up to 280 hours based on the number of years of service, any remaining time will go to the employees sick bank. PTO leave carried forward is expected to be liquidated with expendable available financial resources, is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are reported as a long-term liability.

PTO leave not carried forward is converted to sick leave for employees not covered under a collective bargaining agreement. The employees under the agreement earn sick leave at the rate of one day per full-time equivalent month worked. The accumulation of sick leave is unlimited, but any unused balance is not paid to employees upon separation from employment. No liability is reported for unpaid accumulated sick leave.

8. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

9. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

II. Stewardship, Compliance and Accountability

A. Budgetary Information

Annual budgets are adopted on the cash basis which is not consistent with accounting principles generally accepted in the United States. All annual appropriations lapse at fiscal year end.

On or before August 31, the City Controller submits to the Common Council a proposed operating budget for the year commencing the following January 1. Prior to adoption, the budget is advertised and public hearings are conducted by the Common Council to obtain taxpayer comments. In September of each year, the Common Council through the passage of an ordinance approves the budget for the next year. Copies of the budget ordinance and the advertisement for funds for which property taxes are levied or highway use taxes are received are sent to the Department of Local Government Finance. The budget becomes legally enacted after the City Controller receives approval of the Department of Local Government Finance.

The city's management cannot transfer budgeted appropriations between object classifications of a budget without approval of the Common Council. The Department of Local Government Finance must approve any revisions to the appropriations for any fund or any department of the General Fund. The legal level of budgetary control is by object and department within the fund for the General Fund and by object within the fund for all other budgeted funds.

III. Detailed Notes on All Funds

A. Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. Indiana Code 5-13-8-1 allows a political subdivision of the State of Indiana to deposit public funds in a financial institution only if the financial institution is a depository eligible to receive state funds; and has a principal office or branch that qualifies to receive public funds of the political subdivision. The bank balances were insured by the Federal Deposit Insurance Corporation or the Public Deposit Insurance Fund, which covers all public funds held in approved depositories.

B. Investments

Authorization for investment activity is stated in Indiana Code 5-13. As of December 31, 2006, the City had the following investments.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Duration</u>
Pension Relief Investment Pool	<u>\$ 1,081,859</u>	3.6 years

Investment Policies

Indiana Code 5-13-9 authorizes the City to invest in securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America and issued by the United States Treasury, a federal agency, a federal instrumentality, or a federal government sponsored enterprise. Indiana Code also authorizes the unit to invest in securities fully guaranteed and issued by a federal agency, a federal instrumentality or a federal government sponsored enterprise. These investments are required by statute to have a stated final maturity of not more than two years.

Indiana Code also provides for investment in money market mutual funds that are in the form of securities of or interest in an open-end, no-load, management-type investment company or investment trust registered under the provision of the federal Investment Company Act of 1940, as amended. Investments in money market mutual funds may not exceed fifty percent (50%) of the funds held by the City and available for investment. The portfolio of an investment company or investment trust used must be limited to direct obligations of the United States of America, obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise; or repurchase agreements fully collateralized by direct obligations of the United States of America or obligations issued by a federal agency, a federal instrumentality, or a federal government sponsored enterprise. The form of securities of or interest in an investment company or investment trust must be rated as AAA, or its equivalent by Standard and Poor's Corporation or its successor or Aaa, or its equivalent, by Moody's Investors Service, Inc., or its successor. The form of securities in an investment company or investment trust should have a stated final maturity of one day.

The City may enter into repurchase agreements with depositories designated by the State Board of Finance as depositories for state deposits involving the unit's purchase and guaranteed resale of any interest-bearing obligations issued or fully insured or guaranteed by the United States of America, a United States of America government agency, an instrumentality of the United States of America, or a federal government sponsored enterprise. The repurchase agreement is considered to have a stated final maturity of one day. This agreement must be fully collateralized by interest-bearing obligations as determined by their current market value.

At the option of the City, an additional distribution in a prior year of police and fire pension relief funds was held for investment in an external investment pool (Pension Relief Fund) by the Public Employees' Retirement Fund of Indiana (PERF). These deferred amounts invested in the Fund are available to participating cities and towns at their request. The Pension Relief Fund is invested to a target of 70% fixed income debt instruments and 30% domestic stock. The fair value of the City's investment in the Fund is the same as the value of pool shares. Domestic stock fair value as of December 31, 2006, was \$463,654.

Responsibility of regulatory oversight for the pool is assumed by the PERF governing board, under direction by statute to "invest its assets with the care, skill, prudence and diligence that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Utilizing external investment managers, the PERF Board diversifies such investments in accordance with prudent investment standards.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City must follow state statute and limit the stated final maturities of the investments to no more than two years.

Interest rate risk of the Pension Relief Fund's fixed income portfolio, using the duration approach, is 3.6 years.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The distribution of securities with credit ratings is summarized below.

City's Investments		
Standard & Poor's Rating	Moody's Rating	External Investment Pools
AAA	Aaa	\$ 730,256
AA	Aa	60,584
A	A	173,097
BBB	Baa	111,431
Unrated	Unrated	6,491
Totals		<u>\$ 1,081,859</u>

C. Capital Assets

Capital asset activity for the year ended December 31, 2006, was as follows:

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 110,936,206	\$ 1,591,182	\$ -	\$ -	\$ 112,527,388
Construction in progress	4,065,929	1,268,702	2,356,613	-	2,978,018
Total capital assets, not being depreciated	<u>115,002,135</u>	<u>2,859,884</u>	<u>2,356,613</u>	<u>-</u>	<u>115,505,406</u>
Capital assets, being depreciated:					
Buildings	44,883,421	2,799,651	198,000	-	47,485,072
Improvements other than buildings	14,216,327	895,436	62,500	2,456,419	17,505,682
Machinery and equipment	17,455,189	682,389	949,970	-	17,187,608
Roads being depreciated	<u>86,934,459</u>	<u>2,399,097</u>	<u>-</u>	<u>(2,456,419)</u>	<u>86,877,137</u>
Totals	<u>163,489,396</u>	<u>6,776,573</u>	<u>1,210,470</u>	<u>-</u>	<u>169,055,499</u>
Less accumulated depreciation for:					
Buildings	13,983,590	1,011,482	121,188	-	14,873,884
Improvements other than buildings	4,180,485	828,796	72,278	1,023,355	5,960,358
Machinery and equipment	10,321,906	1,097,284	938,448	-	10,480,742
Roads being depreciated	<u>43,210,395</u>	<u>3,709,730</u>	<u>80,622</u>	<u>(1,023,355)</u>	<u>45,816,148</u>
Totals	<u>71,696,376</u>	<u>6,647,292</u>	<u>1,212,536</u>	<u>-</u>	<u>77,131,132</u>
Total capital assets, being depreciated, net	<u>91,793,020</u>	<u>129,281</u>	<u>(2,066)</u>	<u>-</u>	<u>91,924,367</u>
Total governmental activity capital assets, net	<u>\$ 206,795,155</u>	<u>\$ 2,989,165</u>	<u>\$ 2,354,547</u>	<u>\$ -</u>	<u>\$ 207,429,773</u>

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Reclassifications</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 1,630,631	\$ -	\$ 5,025	\$ -	\$ 1,625,606
Utility plant acquisition adjustment	41,542	-	3,040	-	38,502
Construction in progress	<u>20,148,698</u>	<u>6,223,623</u>	<u>6,257,015</u>	<u>-</u>	<u>20,115,306</u>
					-
Total capital assets, not being depreciated	<u>21,820,871</u>	<u>6,223,623</u>	<u>6,265,080</u>	<u>-</u>	<u>21,779,414</u>
Capital assets, being depreciated:					
Buildings	28,290,125	-	-	-	28,290,125
Improvements other than buildings	158,532,583	514,797	-	-	159,047,380
Transportation equipment	4,117,216	83,392	30,395	-	4,170,213
Machinery and equipment	<u>30,539,274</u>	<u>5,902,611</u>	<u>154,431</u>	<u>-</u>	<u>36,287,454</u>
Totals	<u>221,479,198</u>	<u>6,500,800</u>	<u>184,826</u>	<u>-</u>	<u>227,795,172</u>
Less accumulated depreciation for:					
Buildings	7,587,939	503,948	-	(1,572,848)	6,519,039
Improvements other than buildings	47,465,860	2,598,162	-	1,572,848	51,636,870
Transportation equipment	3,501,310	436,437	-	-	3,937,747
Machinery and equipment	<u>23,809,802</u>	<u>1,019,330</u>	<u>-</u>	<u>-</u>	<u>24,829,132</u>
Totals	<u>82,364,911</u>	<u>4,557,877</u>	<u>-</u>	<u>-</u>	<u>86,922,788</u>
Total capital assets, being depreciated, net	<u>139,114,287</u>	<u>1,942,923</u>	<u>184,826</u>	<u>-</u>	<u>140,872,384</u>
Total business-type activity capital assets, net	<u>\$ 160,935,158</u>	<u>\$ 8,166,546</u>	<u>\$ 6,449,906</u>	<u>\$ -</u>	<u>\$ 162,651,798</u>

<u>Discretely presented component units</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Buildings	6,422,842	5,367	-	6,428,209
Improvements other than buildings	1,900	-	-	1,900
Office equipment	131,876	25,207	13,921	143,162
Shop equipment	66,880	-	-	66,880
Bus/passenger equipment	353,563	72,680	-	426,243
Motor equipment	<u>8,688,912</u>	<u>1,059,993</u>	<u>-</u>	<u>9,748,905</u>
Totals	<u>15,665,973</u>	<u>1,163,247</u>	<u>13,921</u>	<u>16,815,299</u>
Less accumulated depreciation for:				
Buildings	1,687,617	214,094	-	1,901,711
Improvements other than buildings	32	126	-	158
Office equipment	87,527	21,351	13,921	94,957
Shop equipment	55,426	3,344	-	58,770
Bus/passenger equipment	70,793	35,356	-	106,149
Motor equipment	<u>4,120,793</u>	<u>718,444</u>	<u>-</u>	<u>4,839,237</u>
Totals	<u>6,022,188</u>	<u>992,715</u>	<u>13,921</u>	<u>7,000,982</u>
Total capital assets, being depreciated, net	<u>9,643,785</u>	<u>170,532</u>	<u>-</u>	<u>9,814,317</u>

Depreciation expense was charged to functions/programs of the city as follows:

Governmental activities:	
General government	\$ 4,485,319
Public safety	484,969
Culture and recreation	1,227,800
Urban redevelopment and housing	1,140
Sanitation	143,610
Highways, Streets and Roads	<u>304,454</u>
Total depreciation expense - governmental activities	<u>\$ 6,647,292</u>
Business-type activities:	
Water	\$ 1,694,200
Wastewater	<u>2,863,677</u>
Total depreciation expense - business-type activities	<u>\$ 4,557,877</u>

D. Construction Commitments

Construction work in progress is composed of the following:

<u>Project</u>	<u>Total Project Authorized</u>	<u>Expended to December 31, 2006</u>	<u>Committed</u>	<u>Required Future Funding</u>
Water Projects	\$ 13,478,133	\$ 11,319,123	\$ 2,159,010	\$ -
Wastewater Projects	<u>23,610,078</u>	<u>8,796,182</u>	<u>14,813,896</u>	<u>-</u>
Totals	<u>\$ 37,088,211</u>	<u>\$ 20,115,305</u>	<u>\$ 16,972,906</u>	<u>\$ -</u>

E. Interfund Balances and Activity

1. Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2006, is as follows:

<u>Due From</u>	<u>Due to</u>	<u>Amount</u>
General Fund	Internal Service	\$ 13,768
Park	General Fund	103,828
	Internal Service	2,146
Street and Road	General Fund	66,220
	Internal Service	8,716
Other governmental funds	General Fund	85,673
	Street and Road	5,000
	Internal Service	4,765
Internal Service	General Fund	21,070
	Internal Service	97
Water Utility	General Fund	453,019
	Internal Service	3,056
Wastewater Utility	General Fund	580,308
	Internal Service	5,237
	Other governmental funds	<u>2,248</u>
		<u>\$ 1,355,151</u>

Interfund balances resulted from the time lag between the dates that (1) Interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

2. Interfund Transfers

Interfund transfers at December 31, 2006, were as follows:

Transfer From	Transfer To	
	Nonmajor Governmental	Total
General Fund	\$ 585,000	\$ 585,000
Park	139,500	139,500
Street and Road	5,000	5,000
Nonmajor Governmental	<u>2,007,914</u>	<u>2,007,914</u>
Total	<u>\$ 2,737,414</u>	<u>\$ 2,737,414</u>

The city typically uses transfers to fund ongoing operating subsidies and to transfer the portion of state-shared revenues from the general fund to the debt service fund for current-year debt service requirements.

F. Leases

1. Operating Leases

The City has no significant operating leases.

2. Capital Leases

The city has entered into various capital leases for buildings, transportation equipment, and various other improvements. Future minimum lease payments and present values of the net minimum lease payments under these capital leases as of December 31, 2006, are as follows:

Year Ended December 31	Governmental Activities	Business-type Activities
2007	3,617,299	313,092
2008	3,183,885	335,046
2009	3,066,362	335,046
2010	2,945,571	291,138
2011	2,951,153	291,138
2012-2016	14,304,474	582,277
2017-2021	7,678,149	-
2022-2026	4,019,180	-
2027-2031	3,759,352	-
2032-2033	<u>958,383</u>	<u>-</u>
Total minimum lease payments	46,483,808	2,147,737
Less amount representing interest	<u>18,919,585</u>	<u>278,030</u>
Present value of net minimum lease payments	<u>\$ 27,564,223</u>	<u>\$ 1,869,707</u>

Assets acquired through capital leases still in effect are as follows:

	Governmental Activities	Business-Type Activities
Land	\$ 2,931,800	\$ -
Buildings	22,399,510	325,842
Improvements other than buildings	762,468	2,381,304
Machinery and equipment	<u>1,447,508</u>	<u>-</u>
Totals	27,541,286	2,707,146
Accumulated depreciation	<u>4,319,042</u>	<u>222,230</u>
Totals	<u>\$ 23,222,244</u>	<u>\$ 2,484,916</u>

G. Long-Term Liabilities

1. General Obligation Bonds

The city issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the city. General obligation bonds currently outstanding at year end are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
\$7,750,000 1998 Street Construction; final payment due January 1, 2017	4.5 % to 5.00%	\$ 7,110,000
\$2,460,000 1999 Park District Golf Course Construction; final payment due February 1, 2019	4.35% to 5.00%	2,420,000
\$2,430,000 2000 Redevelopment District; final payment due February 1, 2015	5.05% to 5.70%	1,805,000
\$6,200,000 2001 Park District; final payment due January 15, 2017	4.20% to 4.70%	<u>4,560,000</u>
Totals		<u>\$ 15,895,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ended December 31	Governmental Activities	
	Principal	Interest
2007	\$ 875,000	\$ 731,516
2008	965,000	690,485
2009	1,195,000	642,112
2010	1,335,000	585,147
2011	1,410,000	522,606
2012-2016	7,920,000	1,518,000
2017-2019	<u>2,195,000</u>	<u>101,115</u>
Total	<u>\$ 15,895,000</u>	<u>\$ 4,790,981</u>

2. Revenue Bonds

The city issues bonds to be paid by income derived from the acquired or constructed assets. Revenue bonds outstanding at year end are as follows:

Purpose	Interest Rates	Amount
\$10,220,000 2003 Waterworks Refunding Revenue Bonds payable from the Waterworks Utility Bond and Interest Fund in installments of \$275,000 to \$480,00 plus interest through January 1, 2020	2.00% to 4.50%	\$ 7,340,000
\$5,320,000 2006 Waterworks Revenue Bonds payable from the Waterworks Utility Bond and Interest Fund in installments of \$85,000 to \$200,000 plus interest through January, 1, 2027	3.83 % to 4.83%	5,320,000
\$19,095,000 2003 Wastewater Refunding Revenue Bonds payable from the Wastewater Utility Bond and Interest Fund in installments of \$550,000 to \$1,310,000 plus interest through January 1, 2025	2.00% to 4.625%	16,405,000
\$8,200,000 1999 Wastewater Revenue Bonds payable from the Wastewater Utility Bond and Interest Fund in installments of \$175,000 to \$505,000 plus interest through January 1, 2029	4.75% to 5.20%	7,225,000
\$8,090,000 2006 Wastewater Revenue Bonds payable from the Wastewater Utility Bond and Interest Fund in installments of \$50,000 to \$600,000 plus interest through January 1, 2027	4.59% to 6.63%	<u>8,090,000</u>
Total		<u>\$ 44,380,000</u>

Revenue bonds debt service requirements to maturity are as follows:

Year Ended December 31	Business-Type Activities	
	Principal	Interest
2007	\$ 1,825,000	\$ 2,014,048
2008	2,235,000	1,950,113
2009	1,970,000	1,871,497
2010	1,690,000	1,800,344
2011	1,745,000	1,729,562
2012-2016	9,835,000	7,276,664
2017-2021	11,630,000	4,761,566
2022-2026	11,200,000	1,889,246
2027-2029	2,250,000	134,760
Total	<u>\$ 44,380,000</u>	<u>\$ 23,427,800</u>

3. Notes and Loans Payable

The Water Utility has entered into a note for the purchase of the Russell Road Utility. Annual debt service requirements to maturity for the note, including interest of \$3,549, are as follows:

Year Ended December 31	Business Activities	
	Principal	Interest
2007	\$ 19,076	\$ 2,066
2008	19,952	1,190
2009	15,564	293
Totals	<u>\$ 54,592</u>	<u>\$ 3,549</u>

The Water and Wastewater Utilities have made loan agreements with the State of Indiana through its revolving loan program to finance various construction projects. The funds are loaned as the construction costs are incurred.

The agreements provide for maximum loans of \$22,950,000 for the Water Utility and \$32,547,000 Wastewater Utility. As of December 31, 2006, the loan principal balances were \$22,159,000 for the Water Utility and \$18,779,898 for the Wastewater Utility with the outstanding principal balance of completed projects being \$14,719,000 for Water and \$14,605,000 for Wastewater.

Annual debt service requirements for the uncompleted loans will not be established until the construction projects are completed. As for the completed loans, the annual debt service requirement to maturity is as follows:

Year Ended December 31	Business Activities	
	Principal	Interest
2007	\$ 1,482,000	\$ 841,965
2008	999,000	812,731
2009	1,403,000	782,705
2010	1,834,000	735,269
2011	1,884,000	680,791
2012-2016	10,236,000	2,532,447
2017-2021	11,210,000	924,210
2022-2026	429,000	14,223
Total	<u>\$ 29,477,000</u>	<u>\$ 7,324,341</u>

4. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2006, was as follows:

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation	\$ 16,740,000	\$ -	\$ 845,000	\$ 15,895,000	\$ 875,000
Capital leases	28,854,387	366,999	1,657,163	27,564,223	1,671,982
Compensated absences	665,905	210,834	126,803	749,936	190,650
Net Pension Obligation	<u>23,174,309</u>	<u>232,583</u>	<u>-</u>	<u>23,406,892</u>	<u>-</u>
Total governmental activities					
Long-term liabilities	<u>\$ 69,434,601</u>	<u>\$ 810,416</u>	<u>\$ 2,628,966</u>	<u>\$ 67,616,051</u>	<u>\$ 2,737,632</u>

<u>Primary government</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Revenue bonds payable:					
Water Utility	\$ 8,305,000	\$ 5,320,000	\$ 965,000	\$ 12,660,000	\$ 1,080,000
Wastewater Utility	24,355,000	8,090,000	725,000	31,720,000	745,000
Add Unamortized Premium	448,365	-	25,647	422,718	25,648
Less Unamortized Discount	67,609	-	4,818	62,791	4,818
Less deferred amount on refunding	<u>2,395,686</u>	<u>-</u>	<u>140,619</u>	<u>2,255,067</u>	<u>140,619</u>
 Total revenue bonds payable	 30,645,070	 13,410,000	 1,570,210	 42,484,860	 1,996,085
 Loans payable	 39,573,259	 3,195,787	 1,241,000	 41,528,046	 1,482,000
Capital leases	2,122,295	-	252,588	1,869,707	243,479
Notes Payable	70,657	-	16,065	54,592	19,076
Bond Anticipation Notes	5,109,341	-	5,109,341	-	-
Compensated absences	<u>155,884</u>	<u>63,525</u>	<u>-</u>	<u>219,409</u>	<u>76,422</u>
 Total business-type activities					
Long-term liabilities	<u>\$ 77,676,506</u>	<u>\$ 16,669,312</u>	<u>\$ 8,189,204</u>	<u>\$ 86,156,614</u>	<u>\$ 3,817,062</u>

Compensated absences for governmental activities typically have been liquidated from the general fund and special revenue funds.

IV. Other Information

A. Risk Management

The city is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; medical benefits to employees, retirees, and dependents (excluding postemployment benefits); and natural disasters.

The risks of torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters are covered by commercial insurance from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance by major category of risk.

Health Insurance

The city has chosen to establish a risk financing fund for risks associated with employee health claims. The risk financing fund is accounted for in the Health Insurance Trust Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$125,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund by all covered employees and by all insured funds are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums are based upon the percentage of each fund's current year eligible employees as it relates to the total eligible employees, and are reported as quasi-external interfund transactions. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering the

effects of inflation, recent claim settlement trends including frequency and amounts of pay outs and other economic and social factors.

Changes in the balance of claim liabilities during the past two years are as follows:

	<u>2006</u>	<u>2005</u>
Unpaid claims, beginning of fiscal year	\$ 407,531	\$ 307,994
Incurred claims and changes in estimates	4,814,233	5,267,210
Claim payments	<u>4,927,382</u>	<u>5,167,673</u>
Unpaid claims, end of fiscal year	<u>\$ 294,382</u>	<u>\$ 407,531</u>

Workers Compensation

The City has chosen to establish a risk financing fund for risks associated with compensation claims. The risk financing fund is accounted for in the Risk Management Fund, an internal service fund, where assets are set aside for claim settlements. An excess policy through commercial insurance covers individual claims in excess of \$300,000 per year. Settled claims resulting from this risk did not exceed commercial insurance coverage in the past three years. Amounts are paid into the fund for all covered employees and for all insured funds and are available to pay claims, claim reserves, and administrative costs of the program. Interfund premiums for workers compensation are based primarily upon the percentage of each fund's current year payroll as it relates to the total payroll and the fund's past claim experience, and are reported as quasi-external interfund transactions. Provisions are also made for unexpected and unusual claims.

Claim expenditures and liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amounts of pay outs and other economic and social factors.

Changes in the balance of claim liabilities during the past two years are as follows:

	<u>2006</u>	<u>2005</u>
Unpaid claims, beginning of fiscal year	\$ 47,086	\$ 59,214
Incurred claims and changes in estimates	332,430	489,730
Claim payments	<u>352,517</u>	<u>501,858</u>
Unpaid claims, end of fiscal year	<u>\$ 26,999</u>	<u>\$ 47,086</u>

B. Deficit Fund Equity

At December 31, 2006, the following fund reported a deficit in fund equity, which is a violation of State statute:

	<u>Deficit</u>
Governmental funds:	
Solid Waste	\$73,288

The fund equity deficit arose primarily from expenditure exceeding revenue due to the underestimate of current requirements; this deficit will be repaid from future revenues.

C. Change in Accounting Principles

The Internal Service Fund-Fleet Maintenance has changed the estimated useful lives of certain assets. The balances of Net Assets have been adjusted for the effect of applying retroactively the new method of accounting. The changes are an increase in net assets and corresponding decrease in accumulated depreciation of \$81,746.

D. Extraordinary Gain

In a prior year, the Utilities incurred a fire in the administration and service building. The Utilities received an insurance settlement for building contents that exceeded its net book value.

E. Conduit Debt Obligation

From time to time, the city has issued Economic Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the city, the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2006, there were three series of Economic Development Revenue Bonds outstanding with an aggregate principal amount payable of \$16,190,000.

F. Pension Plans

1. Agent Multiple-Employer and Single-Employer Defined Benefit Pension Plans

a. Public Employees' Retirement Fund

Plan Description

The city contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in the defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system and give the city authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of member's contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. The report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Phone (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for PERF are established by the Board of Trustees of PERF. The city's annual pension cost and related information, as provided by the actuary, is presented in this note.

Information to segregate the assets/liabilities and the actuarial study figures between the city, the Utilities and Transit is not available. Therefore, the liability for Net Pension Obligation (NPO) is considered an obligation of the city and is presented in the governmental activities of the financial statements and is not presented as an asset/liability of the proprietary funds.

b. 1925 Police Officers' Pension Plan

Plan Description

The city contributes to the 1925 Police Officers' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-6). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1925 Police Officers' Pension Plan are established by state statute. The city's annual pension cost and related information as provided by the actuary, is presented in this note.

The use of the pay-as-you-go actuarial cost method by the city results in significant underfunding of the plan. Therefore, the Net Pension Obligation (NPO) is not reflected in the financial statements of the pension trust funds.

c. 1937 Firefighters' Pension Plan

Plan Description

The city contributes to the 1937 Firefighters' Pension Plan which is a single-employer defined benefit pension plan. The plan is administered by the local pension board as authorized by state statute (IC 36-8-7). The plan provides retirement, disability, and death benefits to plan members and beneficiaries. The plan was established by the plan administrator, as provided by state statute. The plan administrator does not issue a publicly available financial report that includes financial statements and required supplementary information of the plan.

Funding Policy and Annual Pension Cost

The contribution requirements of plan members for the 1937 Firefighters' Pension Plan are established by state statute. The city's annual pension cost and related information, as provided by the actuary, is presented in this note.

Actuarial Information for the Above Plans

	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Annual required contribution	\$ 1,412,063	\$ 1,509,800	\$ 1,984,000
Interest on net pension obligation	18,632	582,200	792,900
Adjustment to annual required contribution	<u>(21,233)</u>	<u>(705,200)</u>	<u>(960,300)</u>
Annual pension cost	1,409,462	1,386,800	1,816,600
Contributions made	<u>1,131,685</u>	<u>1,358,559</u>	<u>1,890,035</u>
Increase (decrease) in net pension obligation	277,777	28,241	(73,435)
Net pension obligation, beginning of year	<u>256,995</u>	<u>9,703,016</u>	<u>13,214,298</u>
Net pension obligation, end of year	<u>\$ 534,772</u>	<u>\$ 9,731,257</u>	<u>\$ 13,140,863</u>

	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Contribution rates:			
Government	6.25%	389%	443%
Plan Members	3%	6%	6%
Actuarial valuation date	07-01-06	01-01-06	01-01-06
Actuarial cost method	Entry age	Entry age	Entry age
Amortization method	Level percentage of projected payroll, closed	Level percentage of projected payroll, open	Level percentage of projected payroll, open
	40 years	30 years	30 years
Amortization period			
Amortization period (from date)	07-1-97	1-1-05	1-1-05
Asset valuation method	4 year smoothed market	4 year smoothed market	4 year smoothed market

<u>Actuarial Assumptions</u>	<u>PERF</u>	<u>1925 Police Officers' Pension</u>	<u>1937 Firefighters' Pension</u>
Investment rate of return	7.25%	6%	6%
Projected future salary increases:			
Total	5%	5%	5%
Attributed to inflation	4%	4%	4%
Attributed to merit/seniority	1%	1%	1%
Cost-of-living adjustments	2%	0%	0%

Three Year Trend Information

PERF			
Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06-30-04	\$ 896,957	91%	\$ 112,330
06-30-05	1,142,425	111%	256,995
06-30-06	1,409,462	99%	534,772

1925 Police Officers' Pension Plan			
Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12-31-03	\$ 1,959,700	38%	\$ 8,577,892
12-31-04	1,962,500	43%	9,703,016
12-31-05	1,386,800	98%	9,731,257

1937 Firefighters' Pension Plan			
Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12-31-03	\$ 2,646,500	54%	\$ 11,767,163
12-31-04	2,674,100	46%	13,214,298
12-31-05	1,816,600	104%	13,140,863

Membership in the 1925 Police Officers' Pension Plan and the 1937 Firefighters' Pension Plan at January 1, 2006, was comprised of the following:

	1925 Police Officers' Pension	1937 Firefighters' Pension
Retires and beneficiaries currently receiving benefits	53	73
Current active employees	9	12

d. Financial Statements for Defined Benefit Plans

Statement of Fiduciary Net Assets

	1925 Police Officers' Pension	1937 Firefighters' Pension	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 1,325,610	\$ 2,294,795	\$ 3,620,405
Receivables:			
Taxes	23,750	42,004	65,754
Intergovernmental	1,464	2,590	4,054
Interest	4,228	7,566	11,794
Investments at fair value:			
Certificate of deposit	653,500	973,050	1,626,550
Participation in investment pools of other governments	<u>672,281</u>	<u>873,232</u>	<u>1,545,513</u>
Total assets	<u>2,680,833</u>	<u>4,193,237</u>	<u>6,874,070</u>
<u>Liabilities</u>			
Unearned revenue	<u>23,750</u>	<u>42,004</u>	<u>65,754</u>
Total liabilities	<u>23,750</u>	<u>42,004</u>	<u>65,754</u>
<u>Net assets</u>			
Held in trust for:			
Employees' pension benefits	<u>\$ 2,657,083</u>	<u>\$ 4,151,233</u>	<u>\$ 6,808,316</u>
	<u>-</u>	<u>-</u>	<u>-</u>

Statement of Changes in Fiduciary Net Assets

	1925 Police Officers' Pension	1937 Firefighters' Pension	Total
<u>Additions</u>			
Contributions:			
Employer contributions	\$ 1,434,077	\$ 2,290,822	\$ 3,724,899
Plan members	4,313	5,501	9,814
Other contributions	-	260	260
Investment income	<u>140,721</u>	<u>220,861</u>	<u>361,582</u>
Total additions	<u>1,579,111</u>	<u>2,517,444</u>	<u>4,096,555</u>
<u>Deductions</u>			
Benefits	1,321,496	1,934,174	3,255,670
Administrative expense	<u>3,504</u>	<u>3,420</u>	<u>6,924</u>
Total deductions	<u>1,325,000</u>	<u>1,937,594</u>	<u>3,262,594</u>
Changes in net assets	<u>254,111</u>	<u>579,850</u>	<u>833,961</u>
Net assets - beginning	<u>2,402,972</u>	<u>3,571,383</u>	<u>5,974,355</u>
Net assets - ending	<u>\$ 2,657,083</u>	<u>\$ 4,151,233</u>	<u>\$ 6,808,316</u>
	<u>-</u>	<u>-</u>	<u>-</u>

2. Cost-Sharing Multiple-Employer Defined Benefit Pension Plans

1977 Police Officers' and Firefighters' Pension and Disability Fund

Plan Description

The city contributes to the 1977 Police Officers' and Firefighters' Pension and Disability Fund, a cost-sharing multiple-employer defined benefit pension plan administered by the Indiana Public Employees' Retirement Plan (PERF) for all police officers and firefighters hired after April 30, 1977.

State statute (IC 36-8-8) regulates the operations of the system, including benefits, vesting and requirements for contributions by employers and by employees. Covered employees may retire at age fifty-five with twenty years of service. An employee with twenty years of service may leave service, but will not receive benefits until reaching age fifty-five. The plan also provides for death and disability benefits.

PERF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Phone (317) 233-4162

Funding Policy and Annual Pension Costs

Plan members are required to contribute 6% of the first-class police officers' and firefighters' salary and the city is to contribute at an actuarially determined rate. The current rate, which has not changed since the inception of the plan, is 21% of the first-class police officers' and firefighters' salary. The contribution requirements of plan members and the city are established by the Board of Trustees of PERF. The city's contributions to the plan for the years ending December 31, 2006, 2005 and 2004 were \$1,493,467, \$1,404,809, and \$1,319,107, respectively, equal to the required contributions for each year.

CITY OF BLOOMINGTON, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For The Year Ended December 31, 2006

	General Fund			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 14,600,000	\$ 14,600,000	\$ 15,638,894	\$ 1,038,894
Licenses and permits	229,750	229,750	60,744	(169,006)
Intergovernmental	7,926,100	7,926,100	10,615,085	2,688,985
Charges for services	2,471,277	2,471,277	1,105,867	(1,365,410)
Fines and forfeits	117,000	117,000	130,402	13,402
Other	424,440	424,440	1,116,263	691,823
Total revenues	<u>25,768,567</u>	<u>25,768,567</u>	<u>28,667,255</u>	<u>2,898,688</u>
Expenditures:				
Current:				
General government	7,222,383	7,461,603	6,799,039	662,565
Public safety	16,460,659	17,541,846	17,055,771	486,075
Highways and streets	442,272	443,805	440,310	3,495
Urban Redevelopment	845,204	855,806	794,166	61,640
Total expenditures	<u>24,970,518</u>	<u>26,303,060</u>	<u>25,089,286</u>	<u>1,213,774</u>
Other financing sources (uses):				
Operating transfers out	<u>(585,000)</u>	<u>(585,000)</u>	<u>(585,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(585,000)</u>	<u>(585,000)</u>	<u>(585,000)</u>	<u>-</u>
Net change in fund balance	213,049	(1,119,493)	2,992,969	4,112,462
Fund balance - beginning	<u>3,039,688</u>	<u>3,039,688</u>	<u>3,039,688</u>	<u>-</u>
Fund balance - ending	<u>\$ 3,252,737</u>	<u>\$ 1,920,195</u>	<u>\$ 6,032,657</u>	<u>\$ 4,112,462</u>

The notes to RSI are an integral part of RSI.

CITY OF BLOOMINGTON, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
MAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2006

	Park			
	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Taxes	\$ 4,130,000	\$ 4,130,000	\$ 4,466,685	\$ 336,685
Intergovernmental	335,000	335,000	400,138	65,138
Charges for services	1,089,075	1,089,075	1,052,228	(36,847)
Other	500	500	21,903	21,403
Total revenues	<u>5,554,575</u>	<u>5,554,575</u>	<u>5,940,953</u>	<u>386,378</u>
Expenditures:				
Current:				
Culture and recreation:				
Personal services	3,772,572	3,762,572	3,761,863	709
Supplies	378,840	391,190	381,628	9,562
Other services and charges	1,225,263	1,225,263	1,054,595	170,669
Capital outlay	165,407	165,407	164,524	884
Total expenditures	<u>5,542,082</u>	<u>5,544,432</u>	<u>5,362,610</u>	<u>181,823</u>
Other financing sources (uses):				
Operating transfers out	<u>(139,500)</u>	<u>(139,500)</u>	<u>(139,500)</u>	<u>-</u>
Total other financing sources (uses)	<u>(139,500)</u>	<u>(139,500)</u>	<u>(139,500)</u>	<u>-</u>
Net change in fund balances	(127,007)	(129,357)	438,844	568,201
Fund balances - beginning	<u>426,693</u>	<u>426,693</u>	<u>426,693</u>	<u>-</u>
Fund balances - ending	<u>\$ 299,686</u>	<u>\$ 297,336</u>	<u>\$ 865,537</u>	<u>\$ 568,201</u>

The notes to RSI are an integral part of RSI.

CITY OF BLOOMINGTON, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULES
MAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2006

	Street & Road			
	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	\$ 3,675,100	\$ 3,675,100	\$ 4,126,599	\$ 451,499
Other	-	-	29,648	29,648
		-		
Total revenues	<u>3,675,100</u>	<u>3,675,100</u>	<u>4,156,247</u>	<u>481,147</u>
Expenditures:				
Current:				
Highways and streets:				
Personal services	2,052,763	2,052,763	1,961,949	90,814
Supplies	1,304,300	1,293,164	1,054,297	238,867
Other services and charges	1,153,813	1,169,019	1,061,678	107,341
Capital outlay	<u>852,150</u>	<u>1,214,856</u>	<u>794,200</u>	<u>420,656</u>
Total expenditures	<u>5,363,026</u>	<u>5,729,801</u>	<u>4,872,123</u>	<u>857,678</u>
Other financing sources (uses):				
Operating transfers in				-
Operating transfers out	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Net change in fund balances	(1,692,926)	(2,059,701)	(720,876)	1,338,825
Fund balances - beginning	<u>3,583,976</u>	<u>3,583,976</u>	<u>3,583,976</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,891,050</u>	<u>\$ 1,524,275</u>	<u>\$ 2,863,100</u>	<u>\$ 1,338,825</u>

The notes to RSI are an integral part of RSI.

CITY OF BLOOMINGTON, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET/GAAP RECONCILIATION
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2005

The major differences between Budgetary (Non-GAAP) basis and GAAP basis are:

- a. Revenues are recorded when received in cash (budgetary) as opposed to susceptible to accrual (GAAP).
- b. Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).

Adjustments necessary to convert the results of operations at the end of the year on a budgetary basis to a GAAP basis are as follows:

	<u>General</u>	<u>Park</u>	<u>Street & Road</u>
Net changes in fund balances (budgetary basis)	\$ 2,992,969	\$ 438,844	\$ (720,876)
Adjustments:			
To adjust revenues for accruals	241,844	(484,464)	235,219
To adjust expenditures for accruals	<u>385,915</u>	<u>(50,905)</u>	<u>24,743</u>
Net changes in fund balances (GAAP basis)	<u>\$ 3,620,728</u>	<u>\$ (96,525)</u>	<u>\$ (460,914)</u>

The notes to RSI are an integral part of this schedule.

CITY OF BLOOMINGTON, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

Public Employees' Retirement Fund

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
07-01-04	\$ 15,360,487	\$ 19,373,381	(4,012,894)	79%	\$ 17,712,119	(23%)
07-01-05	16,151,067	22,465,947	(6,314,880)	72%	18,502,301	(34%)
07-01-06	18,933,429	22,771,367	(3,837,938)	83%	19,091,718	(20%)

1925 Police Officers' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 2,043,222	\$ 20,391,500	(18,348,278)	10%	\$ 400,600	(4580%)
01-01-02	2,564,611	19,886,900	(17,322,289)	13%	371,400	(4664%)
01-01-03	2,653,563	16,792,200	(14,138,637)	16%	502,300	(2815%)
01-01-04	2,202,299	20,076,800	(17,874,501)	11%	401,400	(4453%)
01-01-05	2,058,376	19,839,800	(17,781,424)	10%	374,700	(4746%)
01-01-06	2,402,972	20,875,200	(18,472,228)	12%	388,200	(4758%)

1937 Firefighters' Pension Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Excess of Assets Over (Unfunded) AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Unfunded) AAL as a Percentage of Covered Payroll ((a-b)/c)
01-01-01	\$ 2,620,971	\$ 28,583,200	(25,962,229)	9%	\$ 715,500	(3629%)
01-01-02	3,103,531	28,529,400	(25,425,869)	11%	551,700	(4609%)
01-01-03	3,029,989	22,783,400	(19,753,411)	13%	756,500	(2611%)
01-01-04	3,428,085	27,434,500	(24,006,415)	12%	544,900	(4406%)
01-01-05	3,219,299	26,195,600	(22,976,301)	12%	519,700	(4421%)
01-01-06	3,571,383	26,341,500	(22,770,117)	14%	448,300	(5079%)

The notes to RSI are an integral part of this schedule.

CITY OF BLOOMINGTON, INDIANA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF CONTRIBUTIONS FROM THE
EMPLOYER AND OTHER CONTRIBUTING ENTITIES

1925 Police Officers' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/00	\$ 2,005,300	14%	21%
12/31/01	2,152,000	18%	44%
12/31/02	2,167,800	18%	29%
12/31/03	2,291,700	7%	26%
12/31/04	2,395,000	12%	23%
12/31/05	1,509,800	48%	42%

1937 Firefighters' Pension Plan

Year Ending	Annual Required Contribution (ARC)	Percentage of ARC Contributed	
		City	State
12/31/00	\$ 2,906,000	11%	19%
12/31/01	3,041,000	14%	40%
12/31/02	3,104,100	14%	28%
12/31/03	3,123,000	20%	26%
12/31/04	3,267,400	13%	24%
12/31/05	1,984,000	52%	43%

CITY OF BLOOMINGTON, INDIANA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2006

Note 1. Budgets and Budgetary Accounting

- A. The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedules:
1. The Mayor submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
 2. The City advertises the budget prior to adoption and the City Council holds public hearings to obtain taxpayer comments.
 3. The budget is approved in September of each year by the City Council through passage of an ordinance.
 4. Copies of the budget ordinance and advertisements are sent to the Indiana Department of Local Government Finance. The budget becomes legally enacted after the City Controller receives approval from the Indiana Department of Local Government Finance. The budget ordinance as approved by the Indiana Department of Local Government Finance becomes the City's expenditures budget. The City's maximum tax levy is restricted by Indiana Law, with certain adjustments and exceptions. If the advertised budget exceeds the spending and tax limits of the state control laws, an excess levy can be granted by the Indiana Department of Local Government Finance, upon appeal by the City.
 5. The legal level of budgetary control (the level at which expenditures may not exceed appropriations without the governing body's approval) is by object classification for all funds except for the General fund, which is by object classification within each department. The City's management cannot transfer budgeted appropriations between object classifications of a budget, without approval of the City Council. Any revisions that alter the total appropriations for any fund or any department of the General fund must be approved by the City Council and, in some instances, by the Indiana Department of Local Government Finance.

Expenditures did not exceed appropriations for any funds or departments within the General Fund, which required legally, approved budgets

6. Formal budgetary integration is required by State statute and is employed as a management control device. An annual budget was legally adopted for the following funds:

Major Funds:

General Fund

Special Revenue Funds:

Park, Street and Road

Non-major Funds:

Special Revenue Funds:

Parking Enforcement, Dispatch Training, Telecommunications Nonreverting, Special Nonreverting Improvement I, Police Education, Municipal Arts, Arts Commission Operating, Solid Waste, Alternative Transportation, Wireless Enhanced 911 Nonreverting

Debt Service Funds:

Park District Bond, Redevelopment District Bond, Street Bond, Municipal Facilities, Golf Course Bond

Capital Project Funds:

Cumulative Capital Improvement, Cumulative Capital Development, Cumulative Capital Equipment

Proprietary Funds:

Risk Management, Fleet Maintenance

Fiduciary Funds:

Police Pension, Fire Pension

7. The City's budgetary process is based upon the cash basis, which is a basis other than generally accepted accounting principles (GAAP). Appropriations lapse with the expiration of the budgetary period unless encumbered by a purchase order or contract. Encumbered appropriations are carried over and added to the subsequent year's budget.
8. Budgeted amounts are as originally adopted, or as amended by the City Council and approved by the Indiana Department of Local Government Finance in the regular legal manner. Net increases to the original appropriations totaled \$872,869 (without insurance supplements) in 2006.
9. There were no excesses of expenditures over appropriations in the general fund or the budgeted major special revenue funds.

Major Governmental Funds

General Fund – used to account for all financial resources of the City of Bloomington except those required to be accounted for in another fund. Thus, all general operating revenues which are not restricted as to use by sources outside of the City are recorded in the General Fund.

Special Revenue Funds – include funds which are restricted as to use by the Federal or State government and special purpose funds established by the City.

Park – To account for the operation of the city park system. Financing is provided by a specific annual property tax levy to the extent that user fees and miscellaneous revenues are insufficient to provide such financing.

Street and Road – To account for construction, operation and maintenance of local and arterial street systems and maintenance departments. Financing is provided by State motor vehicle highway distributions, State gasoline tax distributions and federal grants.

Capital Projects Funds – used to account for financial resources designated to construct or acquire general fixed assets. Such resources are derived from general obligation bonds of the City, intergovernmental revenues and local property taxes.

Municipal Improvement - To account for assets acquired by capital leases.

CITY OF BLOOMINGTON, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2006

Function and Department	Budgeted Amounts		Actual	Variance with
	Original Budget	Final Budget		Final Budget-Positive (Negative)
General government:				
Mayor				
Personal services	\$ 525,526	\$ 525,526	\$ 518,776	\$ 6,750
Supplies	5,750	5,750	5,395	355
Other services and charges	240,475	265,475	138,637	126,838
Capital outlay	1,650	1,650	1,650	-
Controller				
Personal services	437,593	437,593	435,125	2,468
Supplies	3,700	3,906	2,575	1,331
Other services and charges	202,086	254,096	116,830	137,266
Capital outlay	1,130	1,130	1,054	76
City Clerk				
Personal services	105,470	108,370	108,067	303
Supplies	7,000	5,300	1,672	3,628
Other services and charges	3,200	2,000	185	1,815
Capital outlay	3,245	3,245	3,090	155
Public Works				
Personal services	523,011	523,011	511,669	11,342
Supplies	65,000	75,100	50,495	24,605
Other services and charges	971,921	1,064,714	940,686	124,028
Capital outlay	4,900	4,900	4,369	531
Legal				
Personal services	562,281	562,281	545,167	17,114
Supplies	22,425	22,425	21,699	726
Other services and charges	36,225	39,525	30,379	9,146
Capital outlay	5,550	5,550	5,539	11
City Council				
Personal services	303,092	303,092	301,397	1,695
Supplies	3,755	3,755	3,344	411
Other services and charges	4,920	4,920	2,486	2,434
Capital outlay	19,995	19,995	18,985	1,010
Information and Technology Services				
Personal services	1,061,220	1,061,220	1,040,591	20,629
Supplies	20,500	20,500	19,649	851
Other services and charges	133,420	176,286	116,931	59,355
Capital outlay	19,600	20,457	20,444	12
Planning				
Personal services	856,978	855,678	827,702	27,976
Supplies	10,625	11,925	11,783	142
Other services and charges	62,550	74,639	52,911	21,728
Capital outlay	6,950	6,950	6,555	395

(Continued)

CITY OF BLOOMINGTON, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2006
(Continued)

Function and Department	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original Budget	Final Budget		
General government:				
Community and Family Resources				
Personal services	549,700	549,700	540,476	9,224
Supplies	7,825	7,825	7,790	35
Other services and charges	22,775	22,775	22,557	218
Capital outlay	9,415	9,415	9,153	262
Employee Services				
Personal services	354,115	354,115	321,098	33,017
Supplies	8,260	8,260	3,601	4,659
Other services and charges	35,500	35,500	26,140	9,360
Capital outlay	3,050	3,050	2,384	666
Total General government	7,222,383	7,461,603	6,799,039	662,565
Public safety:				
Fire				
Personal services	6,658,956	6,891,107	6,836,103	55,004
Supplies	140,951	259,206	245,803	13,403
Other services and charges	257,613	293,355	274,513	18,842
Capital outlay	219,449	179,491	169,515	9,976
Police				
Personal services	7,434,557	7,606,299	7,437,814	168,485
Supplies	271,050	356,320	329,951	26,369
Other services and charges	349,064	449,875	406,665	43,210
Capital outlay	106,065	438,060	320,820	117,240
Board of Public Safety				
Personal services	3,418	3,418	3,258	160
Supplies	200	200	34	166
Other services and charges	200	200	-	200
Animal Care and Control				
Personal services	756,221	770,621	767,090	3,531
Supplies	84,000	117,325	106,711	10,614
Other services and charges	177,850	175,305	156,547	18,758
Capital outlay	1,065	1,065	948	117
Total Public safety	16,460,659	17,541,846	17,055,771	486,075

(Continued)

CITY OF BLOOMINGTON, INDIANA
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND
For The Year Ended December 31, 2006
(Continued)

<u>Function and Department</u>	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original Budget</u>	<u>Final Budget</u>		
Highways and streets:				
City Engineer				
Personal services	414,137	414,137	413,848	289
Supplies	10,770	10,991	10,095	897
Other services and charges	15,450	16,762	14,901	1,861
Capital outlay	1,915	1,915	1,466	449
Total Highways and streets	<u>442,272</u>	<u>443,805</u>	<u>440,310</u>	<u>3,495</u>
Urban Redevelopment:				
Housing and Neighborhood				
Personal services	604,891	604,891	598,386	6,505
Supplies	10,018	10,732	9,604	1,128
Other services and charges	226,895	236,783	182,776	54,006
Capital outlay	3,400	3,400	3,400	-
Total Urban Redevelopment	<u>845,204</u>	<u>855,806</u>	<u>794,166</u>	<u>61,640</u>
Total General Fund	<u>\$ 24,970,518</u>	<u>\$ 26,303,060</u>	<u>\$ 25,089,286</u>	<u>\$ 1,213,774</u>

Non-major Governmental Funds

Special Revenue Funds – include funds which are restricted as to use by the Federal or State government and special purpose funds established by the City.

Parking Enforcement - To account for all parking related revenues, including meter collections, violations collections and off street parking revenues.

Park and Recreation Nonreverting Operating - To account for special community recreation programs.

CDBG - To account for all resources related to Federal Community Development Block Grant program.

Park and Recreation Nonreverting Capital - To account for revenues received from concessions and golf course fees and used for improvements to Cascades Golf Course and supporting facilities.

Child Care Development - To account for Federal and State grants used for subsidized childcare.

Law Enforcement – To account for grants and donations to the Police Department to be used for public safety purposes.

Dispatch Training – To account for the funds received from false emergency alarm charges used for Emergency Medical Dispatch training.

Telecommunications Nonreverting - To account for activities related to telecommunication including infrastructure and education.

Industrial Incentive Loan - To account for monies loaned to industrial manufacturing and commercial employers as an incentive to maintain and improve the economy of the City of Bloomington.

Nonreverting Economic Development - To account for monies used for economic development projects.

Special Nonreverting Improvement I - To account for monies received from in-lieu-of-annexation agreements.

Police Education - To account for funds received for training of police officers.

Amethyst House - To account for monies received from sale of property to provide for affording housing programs.

Park and Recreation Land Acquisition - To account for monies received to assist with the purchase of land for the Parks Department.

H.O.M.E. - To account for federal grant monies received for affordable housing activities that benefit low and moderate-income residents of the City.

Unsafe Housing - To account for fines and cost reimbursements to the City received in connection with enforcement of the Unsafe Building Law.

Solid Waste - To account for yard waste fees, trash fees and other monies used to provide sanitation and recycling services.

Community Services - To account for monies raised through fundraising activities by and in support of the Farmer's Market, Car Seat Lending Program, and Commission of the Status of Women.

Alternative Transportation - To account for monies received to assist with alternative transportation planning.

Rainy Day - To account for monies transfers from unused and unencumbered funds.

Public Technology - To account for monies received to assist with electronic mapping.

Arts Commission Operating - To include works of art and design services of artists in capital projects of the city and to account for expenses and revenues of the bi-annual postcard competition.

Wireless Enhanced 911 Nonreverting - To account for Wireless Enhanced Emergency 911 Funds - shared revenue from State.

Restricted Donation Fund- To account for monetary donations received less than \$5000 from citizens and businesses, often for specified purposes.

Debt Service Funds – used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest. They are funded principally from local property taxes.

Park District Bond - To account for the accumulation of resources for, and the payment of, general long-term principal, interest and related costs of bond issues benefiting the taxpayers of the park district.

Redevelopment District Bond - To account for the accumulation of resources, for and the payment of, general long-term principal, interest and related costs of bond issues benefiting the taxpayers of the redevelopment district.

Street Bond - To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs of the street improvement bond issue of the City.

Municipal Facilities - To account for the accumulation of resources for, and the payment of, long-term lease rental payments for the assets acquired by capital leases and other capital projects.

Golf Course Bond - To account for the accumulation of resources for, and the payment of, general long-term debt principle, interest and related costs of the golf course bond issue of the City.

Capital Projects Funds – used to account for financial resources designated to construct or acquire general fixed assets. Such resources are derived from general obligation bonds of the City, intergovernmental revenues and local property taxes.

Cumulative Capital Improvement - To account for resources accumulating from State cigarette tax distributions to provide for the cost of construction, maintenance, acquisition and repair for certain facilities and other items of a capital nature.

Cumulative Capital Development - To account for resources accumulating from a dedicated property tax levy to provide for the cost of construction maintenance, acquisition and repair of certain facilities and other items of a capital nature.

Redevelopment TIF Downtown - To account for property tax revenues received from tax increment financing (TIF) of the Downtown Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

Cumulative Capital Equipment - To account for resources accumulated from a property tax levy to provide primarily for the acquisition of equipment and other items of a capital nature.

Street Construction - To account for resources accumulating to provide for the cost of construction of the streets.

Fire Capital - To account for resources received from the sale of the old Headquarters Fire Station to be used for acquisition of equipment for the new Headquarters Fire Station.

Redevelopment TIF Southwest - To account for property tax revenues received from tax increment financing (TIF) of the Southwest Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

Redevelopment TIF Adams - To account for property tax revenues received from tax increment financing (TIF) of the Adams Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

Redevelopment TIF Prow - To account for property tax revenues received from tax increment financing (TIF) of the Prow Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

Technology Park - To increase the opportunities of industries in the community.

Industrial Development - To increase the opportunities of industries in the community.

Redevelopment TIF Whitehall - To account for property tax revenues received from tax increment financing (TIF) of the Whitehall Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

Golf Course Construction - To account for resources accumulating to provide for the cost of construction of the nine hole expansion at Cascades Golf Course.

Gates Construction - To account for resources accumulating to provide for the cost of construction of infrastructure for new commercial development.

Redevelopment TIF Thomson/Winslow/Walnut - To account for property tax revenues received from tax increment financing (TIF) of the Thomson/Winslow/Walnut Redevelopment Area, which is a TIF district. Revenues pay for infrastructure improvements inside or serving the TIF district.

Parks Construction - To account for resources accumulating to provide for the cost of construction of the Parks.

Permanent Fund – To account for the financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Rosehill Cemetery - To account for all resources for operation and maintenance of the City's cemeteries

CITY OF BLOOMINGTON, INDIANA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2006

	Total Non-major Special Revenue Funds	Total Non-major Debt Service Funds	Total Non-major Capital Projects Funds	Non-major Permanent Fund	Totals
<u>Assets</u>					
Cash and cash equivalents	\$ 8,628,625	\$ 934,360	4,387,760	\$ 51,351	\$ 14,002,096
Cash with fiscal agent	-	255,000	-	-	255,000
Investments	383,400	56,850	10,000,100	-	10,440,350
Receivables (net of allowances for uncollectibles):					
Interest	10,880	1,918	21,359	-	34,157
Taxes	-	63,790	209,454	-	273,244
Accounts	-	-	-	-	-
Intergovernmental	792,468	3,055	46,219	-	841,742
Loans	4,528,793	-	-	-	4,528,793
Other	167,565	-	500	-	168,065
Interfund receivable	2,248	-	-	-	2,248
Land held for resale	139,650	-	-	-	139,650
Total assets	<u>\$ 14,653,629</u>	<u>\$ 1,314,973</u>	<u>\$ 14,665,392</u>	<u>\$ 51,351</u>	<u>\$ 30,685,345</u>
<u>Liabilities and fund balances</u>					
Liabilities:					
Accounts payable	\$ 460,346	\$ 1,409	\$ 103,310	\$ -	\$ 565,065
Interfund payable	95,438	-	-	-	95,438
Deferred revenue - Unearned	-	63,790	209,454	-	273,244
Total liabilities	<u>555,784</u>	<u>65,199</u>	<u>312,764</u>	<u>-</u>	<u>933,747</u>
Fund balances:					
Reserved for:					
Encumbrances	65,311	-	809,827	-	875,138
Land held for resale	139,650	-	-	-	139,650
Noncurrent loans receivable	4,458,911	-	-	-	4,458,911
Debt service funds	-	1,249,774	-	-	1,249,774
Capital projects funds	-	-	13,542,801	-	13,542,801
Permanent fund	-	-	-	5,870	5,870
Unreserved, reported in:					
Special revenue funds	9,433,973	-	-	-	9,433,973
Permanent funds	-	-	-	45,481	45,481
Total fund balances	<u>14,097,845</u>	<u>1,249,774</u>	<u>14,352,628</u>	<u>51,351</u>	<u>29,751,598</u>
Total liabilities and fund balances	<u>\$ 14,653,629</u>	<u>\$ 1,314,973</u>	<u>\$ 14,665,392</u>	<u>\$ 51,351</u>	<u>\$ 30,685,345</u>

CITY OF BLOOMINGTON, INDIANA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2006

	Total Non-major Special Revenue Funds	Total Non-major Debt Service Funds	Total Non-major Capital Projects Funds	Non-major Permanent Fund	Totals
Revenues:					
Taxes	\$ -	\$ 1,291,676	\$ 5,903,163	\$ -	\$ 7,194,839
Intergovernmental	2,611,782	819,286	1,890,971	-	5,322,039
Charges for services	4,374,010	-	-	-	4,374,010
Fines and forfeits	974,596	-	-	-	974,596
Other	<u>781,575</u>	<u>65,515</u>	<u>358,659</u>	<u>29,336</u>	<u>1,235,085</u>
Total revenues	<u>8,741,963</u>	<u>2,176,477</u>	<u>8,152,793</u>	<u>29,336</u>	<u>19,100,569</u>
Expenditures:					
Current:					
General government	277,982	-	-	-	277,982
Public safety	2,167,456	-	-	-	2,167,456
Highways and streets	-	-	-	-	-
Sanitation	1,811,289	-	-	-	1,811,289
Health and welfare	45,947	-	-	-	45,947
Culture and recreation	2,235,171	-	-	-	2,235,171
Urban redevelopment and housing	2,512,143	-	-	-	2,512,143
Debt service:					
Principal	-	1,892,211	-	-	1,892,211
Interest	-	2,221,784	-	-	2,221,784
Capital outlay	<u>-</u>	<u>-</u>	<u>2,075,829</u>	<u>-</u>	<u>2,075,829</u>
Total expenditures	<u>9,049,988</u>	<u>4,113,995</u>	<u>2,075,829</u>	<u>-</u>	<u>15,239,812</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(308,025)</u>	<u>(1,937,518)</u>	<u>6,076,964</u>	<u>29,336</u>	<u>3,860,757</u>
Other financing sources (uses):					
Transfers in	916,676	1,820,738	-	-	2,737,414
Transfers out	<u>(200,000)</u>	<u>-</u>	<u>(1,807,914)</u>	<u>-</u>	<u>(2,007,914)</u>
Total other financing sources and uses	<u>716,676</u>	<u>1,820,738</u>	<u>(1,807,914)</u>	<u>-</u>	<u>729,500</u>
Net change in fund balances	408,651	(116,780)	4,269,050	29,336	4,590,257
Fund balances - beginning	<u>13,689,194</u>	<u>1,366,554</u>	<u>10,083,578</u>	<u>22,015</u>	<u>25,161,341</u>
Fund balances - ending	<u>\$ 14,097,845</u>	<u>\$ 1,249,774</u>	<u>\$ 14,352,628</u>	<u>\$ 51,351</u>	<u>\$ 29,751,598</u>

CITY OF BLOOMINGTON, INDIANA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2006

Assets	Parking Enforcement	Park and Recreation Nonreverting Operating	CDBG	Park and Recreation Nonreverting Capital	Law Enforcement
Cash and cash equivalents	\$ 849,964	\$ 581,262	\$ 42,036	\$ 93,492	\$ 197,011
Investments	-	-	-	-	-
Receivables (net of allowances for uncollectibles):					
Interest	-	-	-	-	-
Accounts	-	-	-	-	-
Intergovernmental	-	155	-	-	-
Loans	-	-	932,369	-	-
Other	984	2,211	-	-	-
Interfund receivable	-	-	-	-	-
Land held for resale	-	-	139,650	-	-
Total assets	\$ 850,948	\$ 583,628	\$ 1,114,055	\$ 93,492	\$ 197,011

Liabilities and fund balances

Liabilities:					
Accounts payable	\$ 26,755	\$ 999	\$ 58,554	\$ -	\$ -
Interfund payable	24,135	2,577	7,838	-	-
Total liabilities	50,890	3,576	66,392	-	-
Fund balances:					
Reserved for:					
Encumbrances	20,446	-	-	-	-
Land held for resale	-	-	139,650	-	-
Noncurrent loans receivables	-	-	908,440	-	-
Unreserved:					
Undesignated	779,612	580,052	(427)	93,492	197,011
Total fund balances	800,058	580,052	1,047,663	93,492	197,011
Total liabilities and fund balances	\$ 850,948	\$ 583,628	\$ 1,114,055	\$ 93,492	\$ 197,011

(Continued)

CITY OF BLOOMINGTON, INDIANA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2006

	Dispatch Training	Telecommunications Nonreverting	Industrial Incentive Loan	Nonreverting Economic Development	Special Nonreverting Improvement I
Assets					
Cash and cash equivalents	\$ 49,999	\$ 1,206,784	\$ 668,062	\$ 11,350	\$ 983,103
Investments	-	-	-	-	251,900
Receivables (net of allowances for uncollectibles):					
Interest	-	2,468	996	-	2,459
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Loans	-	-	20,671	-	-
Other	-	161,251	-	-	1,020
Interfund receivable	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ 49,999	\$ 1,370,503	\$ 689,729	\$ 11,350	\$ 1,238,482
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ -	\$ 142,503	\$ -	\$ -	\$ 47,965
Interfund payable	-	-	-	-	-
Total liabilities	-	142,503	-	-	47,965
Fund balances:					
Reserved for:					
Encumbrances	-	-	-	-	490
Land held for resale	-	-	-	-	-
Noncurrent loans receivables	-	-	-	-	-
Unreserved:					
Undesignated	49,999	1,228,000	689,729	11,350	1,190,027
Total fund balances	49,999	1,228,000	689,729	11,350	1,190,517
Total liabilities and fund balances	\$ 49,999	\$ 1,370,503	\$ 689,729	\$ 11,350	\$ 1,238,482

(Continued)

CITY OF BLOOMINGTON, INDIANA
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2006

	Police Education	Amethyst House	Park and Recreation Land Acquisition	H.O.M.E.	Unsafe Housing
Assets					
Cash and cash equivalents	\$ 71,529	\$ 2,833	\$ 649,216	\$ 122,102	\$ 131,953
Investments	-	-	131,500	-	-
Receivables (net of allowances for uncollectibles):					
Interest	-	-	1,305	-	-
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Loans	-	-	-	3,575,753	-
Other	-	-	-	-	-
Interfund receivable	-	-	-	2,248	-
Land held for resale	-	-	-	-	-
Total assets	\$ 71,529	\$ 2,833	\$ 782,021	\$ 3,700,103	\$ 131,953
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ 1,135	\$ 74,462	\$ -
Interfund payable	-	-	-	4,596	575
Total liabilities	-	-	1,135	79,058	575
Fund balances:					
Reserved for:					
Encumbrances	3,885	-	-	-	-
Land held for resale	-	-	-	-	-
Noncurrent loans receivables	-	-	-	3,550,471	-
Unreserved:					
Undesignated	67,644	2,833	780,886	70,574	131,378
Total fund balances	71,529	2,833	780,886	3,621,045	131,378
Total liabilities and fund balances	\$ 71,529	\$ 2,833	\$ 782,021	\$ 3,700,103	\$ 131,953

(Continued)

CITY OF BLOOMINGTON, INDIANA
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2006

	Solid Waste	Community Services	Alternative Transportation	Rainy Day	Public Technology
Assets					
Cash and cash equivalents	\$ 70,039	\$ 43,756	\$ 183,704	\$ 2,430,474	\$ 13,889
Investments	-	-	-	-	-
Receivables (net of allowances for uncollectibles):					
Interest	27	-	-	3,625	-
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	792,313	-
Loans	-	-	-	-	-
Other	2,099	-	-	-	-
Interfund receivable	-	-	-	-	-
Land held for resale	-	-	-	-	-
Total assets	\$ 72,165	\$ 43,756	\$ 183,704	\$ 3,226,412	\$ 13,889
Liabilities and fund balances					
Liabilities:					
Accounts payable	\$ 102,393	\$ 1,050	\$ 4,530	\$ -	\$ -
Interfund payable	43,060	272	-	-	-
Total liabilities	145,453	1,322	4,530	-	-
Fund balances:					
Reserved for:					
Encumbrances	40,490	-	-	-	-
Land held for resale	-	-	-	-	-
Noncurrent loans receivables	-	-	-	-	-
Unreserved:					
Undesignated	(113,778)	42,434	179,174	3,226,412	13,889
Total fund balances	(73,288)	42,434	179,174	3,226,412	13,889
Total liabilities and fund balances	\$ 72,165	\$ 43,756	\$ 183,704	\$ 3,226,412	\$ 13,889

(Continued)

CITY OF BLOOMINGTON, INDIANA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2006

	Arts Commission Operating	Wireless Enhanced 911 Nonreverting	Restricted Donation	Totals
<u>Assets</u>				
Cash and cash equivalents	\$ 134,868	\$ 74,750	\$ 16,449	\$ 8,628,625
Investments				383,400
Receivables (net of allowances for uncollectibles):				
Interest	-	-	-	10,880
Accounts	-	-	-	-
Intergovernmental	-	-	-	792,468
Loans	-	-	-	4,528,793
Other	-	-	-	167,565
Interfund receivable	-	-	-	2,248
Land held for resale	-	-	-	139,650
Total assets	\$ 134,868	\$ 74,750	\$ 16,449	\$ 14,653,629
<u>Liabilities and fund balances</u>				
<u>Liabilities:</u>				
Accounts payable	\$ -	\$ -	-	460,346
Interfund payable	5,000	7,385	-	95,438
Total liabilities	5,000	7,385	-	555,784
Fund balances:				
Reserved for:				
Encumbrances	-	-	-	65,311
Land held for resale	-	-	-	139,650
Noncurrent loans receivables	-	-	-	4,458,911
Unreserved:				
Undesignated	129,868	67,365	16,449	9,433,973
Total fund balances	129,868	67,365	16,449	14,097,845
Total liabilities and fund balances	\$ 134,868	\$ 74,750	\$ 16,449	\$ 14,653,629

CITY OF BLOOMINGTON, INDIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
 NON-MAJOR SPECIAL REVENUE FUNDS
 For the Year Ended December 31, 2006

	Parking Enforcement	Park and Recreation Nonreverting Operating	CDBG	Park and Recreation Nonreverting Capital	Law Enforcement	Dispatch Training
Revenues:						
Intergovernmental	\$ -	\$ 12,917	\$ 1,643,047	\$ -	\$ -	-
Charges for services	870,232	1,182,412	-	-	-	-
Fines and forfeits	884,455	-	-	-	-	11,767
Other	17,168	2,210	26,590	-	62,566	34
Total revenues	1,771,855	1,197,539	1,669,637	-	62,566	11,801
Expenditures:						
Current:						
General government	\$ -	\$ -	\$ -	\$ -	\$ -	-
Public safety	1,886,898	-	-	-	49,889	7,829
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	-	1,389,598	-	-	-	-
Urban redevelopment and housing	-	-	1,688,452	-	-	-
Total expenditures	1,886,898	1,389,598	1,688,452	-	49,889	7,829
Excess (deficiency) of revenues over (under) expenditures	(115,043)	(192,059)	(18,815)	-	12,677	3,972
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	(200,000)	-	-	-	-	-
Total other financing sources and uses	(200,000)	-	-	-	-	-
Net change in fund balances	(315,043)	(192,059)	(18,815)	-	12,677	3,972
Fund balances - beginning	1,115,101	772,111	1,066,478	93,492	184,334	46,027
Fund balances - ending	800,058	580,052	1,047,663	93,492	197,011	49,999

(Continued)

CITY OF BLOOMINGTON, INDIANA
COMBINING STATEMENT OF REVENUES, EX
NON-MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2006

	Telecommunications Nonreverting	Industrial Incentive Loan	Nonreverting Economic Development	Special Nonreverting Improvement I	Police Education	Amethyst House
Revenues:						
Intergovernmental	\$ -	\$ -	-	-	\$ -	-
Charges for services	617,380	-	-	139,980	20,745	-
Fines and forfeits	-	-	-	60,199	10,865	-
Other	72,022	34,496	-	1,539	59	-
Total revenues	689,402	34,496	-	201,718	31,669	-
Expenditures:						
Current:						
General government	\$ -	\$ -	\$ -	87,035	\$ -	\$ -
Public safety	-	-	-	-	27,938	-
Sanitation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Culture and recreation	706,966	-	-	-	-	-
Urban redevelopment and housing	-	12,450	-	-	-	-
Total expenditures	706,966	12,450	-	87,035	27,938	-
Excess (deficiency) of revenues over (under) expenditures	(17,564)	22,046	-	114,683	3,731	-
Other financing sources (uses):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-
Net change in fund balances	(17,564)	22,046	-	114,683	3,731	-
Fund balances - beginning	1,245,564	667,683	11,350	1,075,834	67,798	2,833
Fund balances - ending	\$ 1,228,000	\$ 689,729	\$ 11,350	\$ 1,190,517	\$ 71,529	\$ 2,833

(Continued)

CITY OF BLOOMINGTON, INDIANA
COMBINING STATEMENT OF REVENUES, EX
NON-MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2006

	Park and Recreation Land Acquisition	H.O.M.E.	Unsafe Housing	Solid Waste	Community Services	Alternative Transportation
Revenues:						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 3,750	\$ -
Charges for services	-	507,304	-	1,032,795	-	-
Fines and forfeits	-	-	7,310	-	-	-
Other	45,382	265,558	33	41,727	61,636	27
Total revenues	45,382	772,862	7,343	1,074,522	65,386	27
Expenditures:						
Current:		772,862				
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,616
Public safety	-	-	20,216	-	-	-
Sanitation	-	-	-	1,811,289	-	-
Health and welfare	-	-	-	-	45,947	-
Culture and recreation	130,816	-	-	-	-	-
Urban redevelopment and housing	-	811,241	-	-	-	-
Total expenditures	130,816	811,241	20,216	1,811,289	45,947	174,616
Excess (deficiency) of revenues over (under) expenditures	(85,434)	(38,379)	(12,873)	(736,767)	19,439	(174,589)
Other financing sources (uses):						
Transfers in	126,676	-	-	585,000	-	200,000
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	126,676	-	-	585,000	-	200,000
Net change in fund balances	41,242	(38,379)	(12,873)	(151,767)	19,439	25,411
Fund balances - beginning	739,644	3,659,424	144,251	78,479	22,995	153,763
Fund balances - ending	\$ 780,886	\$ 3,621,045	\$ 131,378	\$ (73,288)	\$ 42,434	\$ 179,174

(Continued)

CITY OF BLOOMINGTON, INDIANA
 COMBINING BALANCE SHEET
 NON-MAJOR SPECIAL REVENUE FUNDS
 December 31, 2006

	Rainy Day	Public Technology	Arts Commission Operating	Wireless Enhanced 911 Nonreverting	Restricted Donation	Totals
<u>Assets</u>						
Cash and cash equivalents	\$ 2,430,474	\$ 13,889	\$ 134,868	\$ 74,750	\$ 16,449	\$ 8,628,625
Investments						383,400
Receivables (net of allowances for uncollectibles):						
Interest	3,625	-	-	-	-	10,880
Accounts		-	-	-	-	-
Intergovernmental	792,313	-	-	-	-	792,468
Loans	-	-	-	-	-	4,528,793
Other	-	-	-	-	-	167,565
Interfund receivable	-	-	-	-	-	2,248
Land held for resale	-	-	-	-	-	139,650
Total assets	\$ 3,226,412	\$ 13,889	\$ 134,868	\$ 74,750	\$ 16,449	\$ 14,653,629
<u>Liabilities and fund balances</u>						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	460,346
Interfund payable	-	-	5,000	7,385	-	95,438
Total liabilities	-	-	5,000	7,385	-	555,784
Fund balances:						
Reserved for:						
Encumbrances	-	-	-	-	-	65,311
Land held for resale	-	-	-	-	-	139,650
Noncurrent loans receivables	-	-	-	-	-	4,458,911
Unreserved:						
Undesignated	3,226,412	13,889	129,868	67,365	16,449	9,433,973
Total fund balances	3,226,412	13,889	129,868	67,365	16,449	14,097,845
Total liabilities and fund balances	\$ 3,226,412	\$ 13,889	\$ 134,868	\$ 74,750	\$ 16,449	\$ 14,653,629

(Continued)

CITY OF BLOOMINGTON, INDIANA
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUND
December 31, 2006

	Park District Bond	Redevelopment District Bond	Street Bond	Municipal Facilities	Golf Course Bond	Totals
<u>Assets</u>						
Cash and cash equivalents	\$ 43,635	\$ 289,401	\$ 27	\$ 207,125	\$ 394,172	\$ 934,360
Cash with fiscal agent	-	-	255,000	-	-	255,000
Investments	-	-	34,200	22,650	-	56,850
Receivables (net of allowances for uncollectibles):						
Interest	73	724	15	120	986	1,918
Taxes	16,389	14,230	19,824	13,347	-	63,790
Intergovernmental	1,010	-	1,222	823	-	3,055
Total assets	\$ 61,107	\$ 304,355	\$ 310,288	\$ 244,065	\$ 395,158	\$ 1,314,973
<u>Liabilities and fund balances</u>						
Liabilities:						
Accounts Payable	909	500	-	-	-	1,409
Deferred Revenue - Unavailable	\$ 16,389	\$ 14,230	\$ 19,824	13,347	-	63,790
Total liabilities	17,298	14,730	19,824	13,347	-	65,199
Fund balances:						
Reserved for:						
Debt service	43,809	289,625	290,464	230,718	395,158	1,249,774
Total fund balances	43,809	289,625	290,464	230,718	395,158	1,249,774
Total liabilities and fund balances	\$ 61,107	\$ 304,355	\$ 310,288	\$ 244,065	\$ 395,158	\$ 1,314,973

CITY OF BLOOMINGTON, INDIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
 NON-MAJOR DEBT SERVICE FUNDS
 For the Year Ended December 31, 2006

	Park District Bond	Redevelopment District Bond	Street Bond	Municipal Facilities	Golf Course Bond	Totals
Revenues:						
Taxes	\$ 444,414	\$ -	\$ 485,344	\$ 361,918	\$ -	\$ 1,291,676
Intergovernmental	34,487	-	86,714	698,085	-	819,286
Other	275	14,003	5,190	25,650	20,397	65,515
Total revenues	479,176	14,003	577,248	1,085,653	20,397	2,176,477
Expenditures:						
Debt service:						
Principal	410,000	150,000	255,000	1,047,211	30,000	1,892,211
Interest	207,809	101,237	339,668	1,455,377	117,693	2,221,784
Total expenditures	617,809	251,237	594,668	2,502,588	147,693	4,113,995
Excess (deficiency) of revenues over (under) expenditures	(138,633)	(237,234)	(17,420)	(1,416,935)	(127,296)	(1,937,518)
Other financing sources (uses):						
Transfers in	-	250,738	-	1,430,500	139,500	1,820,738
Total other financing sources and uses	-	250,738	-	1,430,500	139,500	1,820,738
Net change in fund balances	(138,633)	13,504	(17,420)	13,565	12,204	(116,780)
Fund balances - beginning	182,442	276,121	307,884	217,153	382,954	1,366,554
Fund balances - ending	\$ 43,809	\$ 289,625	\$ 290,464	\$ 230,718	\$ 395,158	\$ 1,249,774

CITY OF BLOOMINGTON, INDIANA
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2006

	Cumulative Capital Improvement	Cumulative Capital Development	Redevelopment TIF Downtown	Cumulative Capital Equipment	Fire Capital	Redevelopment TIF Tapp
<u>Assets</u>						
Cash and cash equivalents	\$ 221,898	\$ 813,798	\$ 226,917	\$ 1,244,846	\$ 25	\$ 402,248
Investments			1,883,500		114,700	1,632,200
Receivables (net of allowances for uncollectibles):						
Interest	-	-	2,926	-	52	3,817
Taxes	-	30,914	67,841	14,728	-	8,920
Intergovernmental	43,405	1,906	-	908	-	-
Other	-	500	-	-	-	-
Total assets	\$ 265,303	\$ 847,118	\$ 2,181,184	\$ 1,260,482	\$ 114,777	\$ 2,047,185
<u>Liabilities and fund balances</u>						
<u>Liabilities:</u>						
Accounts payable	\$ 11,959	\$ 20,481	\$ -	\$ 36,911	\$ -	\$ -
Unearned revenue	-	30,914	67,841	14,728	-	8,920
Total liabilities	11,959	51,395	67,841	51,639	-	8,920
<u>Fund balances:</u>						
Reserved for:						
Encumbrances	-	809,827	-	-		-
Capital projects funds	253,344	(14,104)	2,113,343	1,208,843	114,777	2,038,265
Total fund balances	253,344	795,723	2,113,343	1,208,843	114,777	2,038,265
Total liabilities and fund balances	\$ 265,303	\$ 847,118	\$ 2,181,184	\$ 1,260,482	\$ 114,777	\$ 2,047,185

(Continued)

CITY OF BLOOMINGTON, INDIANA
 COMBINING BALANCE SHEET
 NON-MAJOR CAPITAL PROJECTS FUNDS
 December 31, 2006

Assets	Redevelopment TIF Adams	Redevelopment TIF Prow	Technology Park	Industrial Development	Redevelopment TIF Whitehall	Redevelopment TIF Thomson - Winslow - Walnut
Cash and cash equivalents	\$ 392,963	\$ 238,672	\$ 66	\$ 48	\$ 440,963	\$ 95,141
Investments	436,900	130,700	46,600	1,376,200	2,891,400	1,487,900
Receivables (net of allowances for uncollectibles):						
Interest	2,105	1,355	117	3,457	5,047	2,483
Taxes	20,037	2,421	-	-	27,489	37,104
Intergovernmental	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total assets	\$ 852,005	\$ 373,148	\$ 46,783	\$ 1,379,705	\$ 3,364,899	\$ 1,622,628
<u>Liabilities and fund balances</u>						
Liabilities:						
Accounts payable	\$ 23,848	\$ -	\$ -	\$ -	\$ -	\$ 111
Unearned revenue	20,037	2,421	-	-	27,489	37,104
Total liabilities	43,885	2,421	-	-	27,489	37,215
Fund balances:						
Reserved for:						
Encumbrances	-	-	-	-	-	-
Capital projects funds	808,120	370,727	46,783	1,379,705	3,337,410	1,585,413
Total fund balances	808,120	370,727	46,783	1,379,705	3,337,410	1,585,413
Total liabilities and fund balances	\$ 852,005	\$ 373,148	\$ 46,783	\$ 1,379,705	\$ 3,364,899	\$ 1,622,628

CITY OF BLOOMINGTON, INDIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 For the Year Ended December 31, 2006

	Cumulative Capital Improvement	Cumulative Capital Development	Redevelopment TIF Downtown	Cumulative Capital Equipment	Fire Capital	Redevelopment TIF Tapp	Redevelopment TIF Adams
Revenues:							
Taxes	\$ -	\$ 838,266	\$ 1,840,306	\$ 399,174	\$ -	\$ 206,595	\$ 464,964
Intergovernmental	248,687	65,051	-	30,976	-	-	-
Other	1,718	3,986	34,553	10,597	5,714	100,459	30,099
Total revenues	250,405	907,303	1,874,859	440,747	5,714	307,054	495,063
Expenditures:							
Capital outlay	43,713	808,394	193,962	157,230	-	-	164,165
Total expenditures	43,713	808,394	193,962	157,230	-	-	164,165
Excess (deficiency) of revenues over (under) expenditures	206,692	98,909	1,680,897	283,517	5,714	307,054	330,898
Other financing sources (uses):							
Transfers out	-	(126,676)	(170,500)	-	-	-	(300,000)
Capital leases	-	-	-	-	-	-	-
Total other financing sources and uses	-	(126,676)	(170,500)	-	-	-	(300,000)
Net change in fund balances	206,692	(27,767)	1,510,397	283,517	5,714	307,054	30,898
Fund balances - beginning	46,652	823,490	602,946	925,326	109,063	1,731,211	777,222
Fund balances - ending	\$ 253,344	\$ 795,723	\$ 2,113,343	\$ 1,208,843	\$ 114,777	\$ 2,038,265	\$ 808,120

(Continued)

CITY OF BLOOMINGTON, INDIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 For the Year Ended December 31, 2006

	Redevelopment TIF Tapp	Redevelopment TIF Adams	Redevelopment TIF Prow	Technology Park	Industrial Development
Revenues:					
Taxes	\$ 206,595	\$ 464,964	\$ 50,009	\$ -	\$ -
Intergovernmental	-	-	-	-	1,546,257
Other	100,459	30,099	16,543	2,362	39,176
Total revenues	<u>307,054</u>	<u>495,063</u>	<u>66,552</u>	<u>2,362</u>	<u>1,585,433</u>
Expenditures:					
Capital outlay	-	164,165	-	-	588,779
Total expenditures	<u>-</u>	<u>164,165</u>	<u>-</u>	<u>-</u>	<u>588,779</u>
Excess (deficiency) of revenues over (under) expenditures	<u>307,054</u>	<u>330,898</u>	<u>66,552</u>	<u>2,362</u>	<u>996,654</u>
Other financing sources (uses):					
Transfers out	-	(300,000)	-	-	-
Capital leases	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>(300,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>307,054</u>	<u>30,898</u>	<u>66,552</u>	<u>2,362</u>	<u>996,654</u>
Fund balances - beginning	<u>1,731,211</u>	<u>777,222</u>	<u>304,175</u>	<u>44,421</u>	<u>383,051</u>
Fund balances - ending	<u>\$ 2,038,265</u>	<u>\$ 808,120</u>	<u>\$ 370,727</u>	<u>\$ 46,783</u>	<u>\$ 1,379,705</u>

(Continued)

CITY OF BLOOMINGTON, INDIANA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND OTHER CHANGES IN FUND BALANCES
 NON-MAJOR CAPITAL PROJECTS FUNDS
 For the Year Ended December 31, 2006

	Redevelopment TIF Whitehall	Redevelopment TIF Thomson - Winslow - Walnut	Park Construction	Totals
Revenues:				
Taxes	\$ 1,189,179	\$ 914,670	\$ -	\$ 5,903,163
Intergovernmental	-	-	-	1,890,971
Other	1,602	96,805	15,045	358,659
Total revenues	1,190,781	1,011,475	15,045	8,152,793
Expenditures:				
Capital outlay	-	17,463	102,123	2,075,829
Total expenditures	-	17,463	102,123	2,075,829
Excess (deficiency) of revenues over (under) expenditures	1,190,781	994,012	(87,078)	6,076,964
Other financing sources (uses):				
Transfers out	(439,738)	(771,000)	-	(1,807,914)
Capital leases	-	-	-	-
Total other financing sources and uses	(439,738)	(771,000)	-	(1,807,914)
Net change in fund balances	751,043	223,012	(87,078)	4,269,050
Fund balances - beginning	2,586,367	1,362,401	387,253	10,083,578
Fund balances - ending	\$ 3,337,410	\$ 1,585,413	\$ 300,175	\$ 14,352,628

CITY OF BLOOMINGTON, INDIANA
BUDGETARY COMPARISON SCHEDULES
NON-MAJOR BUDGETED SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2006

	Parking Enforcement				Dispatch Training			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300	\$ 300
Charges for services	982,000	982,000	870,233	(111,767)	-	-	-	-
Fines and forfeits	1,000,000	1,000,000	884,455	(115,545)	8,000	8,000	11,467	3,467
Other	-	-	16,184	16,184	-	-	35	35
Total revenues	1,982,000	1,982,000	1,770,871	(211,129)	8,000	8,000	11,801	3,801
Expenditures:								
Current:								
Public safety:								
Personal services	738,206	738,206	725,611	12,595	-	-	-	-
Supplies	76,900	79,871	38,862	41,009	-	-	-	-
Other services and charges	1,424,819	1,444,199	1,310,824	133,375	20,859	20,859	7,829	13,030
Capital outlay	1,215	1,215	1,209	6	-	-	-	-
Total expenditures	2,241,140	2,263,491	2,076,506	186,985	20,859	20,859	7,829	13,030
Other financing sources (uses):								
Transfers out	100,000	100,000	100,000	-	-	-	-	-
Total other financing sources (uses)	100,000	100,000	100,000	-	-	-	-	-
Net change in fund balances	(111,499)	(113,404)	(205,634)	(92,231)	(12,859)	(12,859)	3,972	16,831
Fund balances - beginning	1,352,389	1,352,389	1,352,389	-	46,027	46,027	46,027	-
Fund balances - ending	\$ 1,240,890	\$ 1,238,985	\$ 1,146,755	\$ (92,231)	\$ 33,168	\$ 33,168	\$ 49,999	\$ 16,831

	Telecommunications Nonreverting				Nonreverting Improvement I			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Intergovernmental	\$ -	\$ -	\$ 3,600	\$ 3,600	\$ 198,460	\$ 198,460	\$ 139,980	\$ (58,480)
Charges for services	590,000	590,000	606,213	16,213	-	-	-	-
Other	18,000	18,000	73,704	55,704	18,000	18,000	60,199	42,199
Total revenues	608,000	608,000	683,516	71,916	216,460	216,460	200,179	(16,281)
Expenditures:								
Current:								
Urban Redevelopment:								
Other services and charges	-	-	-	-	178,200	178,690	51,939	126,751
Capital outlay	-	-	-	-	560,000	560,000	-	560,000
Culture and recreation:								
Supplies	4,500	18,390	5,832	12,558	-	-	-	-
Other services and charges	421,128	437,798	358,538	79,260	-	-	-	-
Capital outlay	89,987	302,612	224,582	78,030	-	-	-	-
Total expenditures	515,615	758,799	588,952	169,848	738,200	738,690	51,939	686,751
Net change in fund balances	128,416	(57,011)	94,564	147,976	(521,740)	(522,230)	148,240	670,471
Fund balances - beginning	1,112,220	1,112,220	1,112,220	-	1,004,812	1,004,812	1,004,812	-
Fund balances - ending	\$ 1,240,636	\$ 1,055,209	\$ 1,206,784	\$ 147,976	\$ 483,072	\$ 482,582	\$ 1,153,052	\$ 670,471

CITY OF BLOOMINGTON, INDIANA
BUDGETARY COMPARISON SCHEDULES
NON-MAJOR BUDGETED SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2006

	Police Education				Solid Waste			
	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes								
Charges for services	\$ 18,000	\$ 18,000	\$ 20,746	\$ 2,746	\$ 1,200,000	\$ 1,200,000	\$ 1,032,795	\$ (167,205)
Fines and forfeits	9,000	9,000	10,865	1,865	-	-	-	-
Other	-	-	59	59	10,500	10,500	41,119	30,619
Total revenues	27,000	27,000	31,669	4,669	1,210,500	1,210,500	1,073,914	(136,586)
Expenditures:								
Current:								
Public safety:								
Other services and charges	25,000	28,885	27,978	907	-	-	-	-
Sanitation:								
Personal services	-	-	-	-	1,081,640	1,074,140	1,061,356	12,784
Supplies	-	-	-	-	90,300	109,686	82,976	26,710
Other services and charges	-	-	-	-	618,903	666,030	577,431	88,599
Capital outlay	-	-	-	-	1,150	1,150	872	278
Total expenditures	25,000	28,885	27,978	907	1,791,993	1,851,005	1,722,635	128,370
Other financing sources (uses):								
Transfers in	-	-	-	-	585,000	585,000	585,000	-
Total other financing sources (uses)	-	-	-	-	585,000	585,000	585,000	-
Net change in fund balances	(1,885)	(1,885)	3,691	5,576	(13,594)	(32,117)	(63,721)	(31,604)
Fund balances - beginning	59,503	59,503	59,503	-	133,759	133,759	133,759	-
Fund balances - ending	67,838	57,618	63,194	5,576	\$ 120,165	\$ 101,642	\$ 70,038	\$ (31,604)

	Alternative Transportation				Arts Commission Operating			
	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget-Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Charges for services					\$ 5,000	\$ 5,000	\$ 1,049	\$ 1,049
Other	-	-	27	27	-	-	-	-
Total revenues	-	-	27	27	5,000	5,000	1,049	1,049
Expenditures:								
Current:								
Culture and recreation:								
Supplies	-	-	-	-	2,000	2,000	292	1,708
Other services and charges	-	-	-	-	3,000	3,000	2,500	500
Highways:								
Capital outlay	200,000	345,425	175,437	169,988	-	-	-	-
Total expenditures	200,000	345,425	175,437	169,988	5,000	5,000	2,792	2,208
Other financing sources (uses):								
Transfers in	200,000	200,000	200,000	-	-	-	-	-
Total other financing sources (uses)	200,000	200,000	200,000	-	-	-	-	-
Net change in fund balances	(20,261)	(20,261)	24,590	44,852	-	-	(1,743)	3,257
Fund balances - beginning	159,113	159,113	159,113	-	696	696	696	-
Total beginning fund balance - restated	294,793	294,793	294,793	-	-	-	-	-
Fund balances - ending	\$ 138,852	\$ 138,852	\$ 183,703	\$ 44,852	\$ 696	\$ 696	\$ (1,047)	\$ 3,257

CITY OF BLOOMINGTON, INDIANA
BUDGETARY COMPARISON SCHEDULES
NON-MAJOR BUDGETED SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2006

	Wireless Enhanced 911 Nonreverting			Variance with Final Budget- Positive
	Budgeted Amounts		Actual	(Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 159,756	\$ 39,756
Other	-	-	-	-
Total revenues	120,000	120,000	159,756	39,756
Expenditures:				
Current:				
Public safety:				
Personal services	176,167	176,167	174,468	1,699
Other services and charges	-	-	-	-
Total expenditures	176,167	176,167	174,468	1,699
Other financing sources (uses):				
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(56,167)	(56,167)	(14,712)	41,455
Fund balances - beginning	118,042	118,042	118,042	-
Fund balances - ending	89,463	61,875	103,330	41,455

CITY OF BLOOMINGTON, INDIANA
BUDGETARY COMPARISON SCHEDULES
NON-MAJOR BUDGETED DEBT SERVICE FUNDS
For The Year Ended December 31, 2006

	Municipal Facilities				Park District Bond			
	Budgeted Amounts			Variance with Final Budget- Positive (Negative)	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Taxes	\$ 365,216	\$ 365,216	\$ 407,109	41,893	\$ 450,000	\$ 450,000	\$ 488,827	\$ 38,827
Intergovernmental	29,700	29,700	706,622	676,922	36,700	36,700	47,136	10,436
Other	1,445,100	1,445,100	1,456,155	11,055	1,000	1,000	289	(711)
Total revenues	1,840,016	1,840,016	2,569,886	729,870	487,700	487,700	536,253	48,553
Expenditures:								
Current:								
Debt Service:								
Principal Retirement	-	-	-	-	410,000	410,000	410,000	-
Interest and Fiscal Charges	-	-	-	-	207,535	207,535	206,899	636
Lease Payments	2,502,589	2,502,589	2,502,588	1	-	-	-	-
Total expenditures	2,502,589	2,502,589	2,502,588	1	617,535	617,535	616,899	636
Other financing sources (uses):								
Transfers in	913,000	913,000	913,000	-	-	-	-	-
Total other financing sources (uses)	913,000	913,000	913,000	-	-	-	-	-
Net change in fund balances	250,427	250,427	980,297	729,870	(129,835)	(129,835)	(80,646)	49,189
Fund balances - beginning	162,479	162,479	162,479	-	124,281	124,281	124,281	-
Fund balances - ending	\$ 412,906	\$ 412,906	\$ 1,142,776	\$ 729,870	\$ (5,554)	\$ (5,554)	\$ 43,635	\$ 49,189

	Street Bond				Golf Course Bond			
	Budgeted Amounts			Variance with Final Budget- Positive (Negative)	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual		Original	Final	Actual	
Revenues:								
Taxes	\$ 543,656	\$ 543,656	\$ 485,344	\$ (58,312)	\$ -	\$ -	\$ -	\$ -
Intergovernmental	44,300	44,300	102,026	57,726	-	-	-	-
Other	500	500	5,185	4,685	145,500	145,500	160,307	14,807
Total revenues	588,456	588,456	592,554	4,098	145,500	145,500	160,307	14,807
Expenditures:								
Current:								
Debt Service:								
Principal Retirement	255,000	255,000	255,000	-	30,000	30,000	30,000	-
Interest and Fiscal Charges	341,900	341,900	339,668	2,232	118,043	118,043	117,693	350
Total expenditures	596,900	596,900	594,668	2,232	148,043	148,043	147,693	350
Other financing sources (uses):								
Transfers in	-	-	-	-	25,500	25,500	25,500	-
Total other financing sources (uses)	-	-	-	-	25,500	25,500	25,500	-
Net change in fund balances	(8,444)	(8,444)	(2,114)	6,330	22,957	22,957	38,114	15,157
Fund balances - beginning	36,341	36,341	36,341	-	381,558	381,558	381,558	-
Fund balances - ending	\$ 27,897	\$ 27,897	\$ 34,227	\$ 6,330	\$ 404,515	\$ 404,515	\$ 419,672	\$ 15,157

CITY OF BLOOMINGTON, INDIANA
BUDGETARY COMPARISON SCHEDULES
NON-MAJOR BUDGETED CAPITAL PROJECTS FUNDS
For The Year Ended December 31, 2006

	Cumulative Capital Improvement				Cumulative Capital Development			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 820,738	\$ 820,738	\$ 910,577	\$ 89,839
Intergovernmental	241,200	241,200	247,543	6,343	66,500	66,500	83,065	16,565
Other	-	-	1,718	1,718	-	-	3,486	3,486
Total revenues	<u>241,200</u>	<u>241,200</u>	<u>249,261</u>	<u>8,061</u>	<u>887,238</u>	<u>887,238</u>	<u>997,128</u>	<u>109,890</u>
Expenditures:								
Current:								
Capital Outlays								
Other services and charges	-	-	-	-	454,169	454,169	307,465	146,705
Capital Outlays	240,000	240,000	31,754	208,246	1,244,890	1,244,890	618,049	626,841
Total expenditures	<u>240,000</u>	<u>240,000</u>	<u>31,754</u>	<u>208,246</u>	<u>1,699,059</u>	<u>1,699,059</u>	<u>925,514</u>	<u>773,545</u>
Other financing sources (uses):								
Transfers out	-	-	-	-	124,149	124,149	124,149	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,149</u>	<u>124,149</u>	<u>124,149</u>	<u>-</u>
Net change in fund balances	1,200	1,200	217,507	216,307	(687,672)	(687,672)	195,763	883,435
Fund balances - beginning	<u>4,392</u>	<u>4,392</u>	<u>4,392</u>	<u>-</u>	<u>990,482</u>	<u>990,482</u>	<u>990,482</u>	<u>-</u>
Fund balances - ending	<u>\$ 5,592</u>	<u>\$ 5,592</u>	<u>\$ 221,899</u>	<u>\$ 216,307</u>	<u>\$ 302,810</u>	<u>\$ 302,810</u>	<u>\$ 1,186,245</u>	<u>\$ 883,435</u>

	Cumulative Capital Equipment			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 390,803	\$ 390,803	\$ 433,479	\$ 42,676
Intergovernmental	31,500	31,500	41,072	9,572
Other	-	-	10,595	10,595
Total revenues	<u>422,303</u>	<u>422,303</u>	<u>485,147</u>	<u>62,844</u>
Expenditures:				
Current:				
Capital Outlays				
Other services and charges	100,000	139,810	39,206	100,604
Capital outlay	320,000	600,884	121,567	479,317
Total expenditures	<u>420,000</u>	<u>740,694</u>	<u>160,773</u>	<u>579,922</u>
Net change in fund balances	2,303	(318,391)	324,375	642,766
Fund balances - beginning	<u>920,472</u>	<u>920,472</u>	<u>920,472</u>	<u>-</u>
Fund balances - ending	<u>\$ 922,775</u>	<u>\$ 602,081</u>	<u>\$ 1,244,847</u>	<u>\$ 642,766</u>

Non-major Proprietary Funds

Internal Service Funds - To account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Risk Management - To account for revenues generated by assessing premiums on each City department and the Bloomington Public Transit Corporation, for the purpose of administering a self-insurance program for Worker's Compensation.

Fleet Maintenance - To account for the financing of goods and services provided by the Fleet Maintenance department to other departments and agencies of the City.

Health Insurance Trust - To account for revenues generated and expenses incurred for the administration of the City's self-insured employee health plan.

CITY OF BLOOMINGTON, INDIANA
 COMBINING STATEMENT OF NET ASSETS
 NON-MAJOR PROPRIETARY FUNDS
 December 31, 2006

	Governmental-Type Activities - Internal Service Funds			
	Risk Management	Fleet Maintenance	Health Insurance Trust	Total
<u>Assets</u>				
Current assets:				
Cash and cash equivalents	\$ 117,856	\$ 174,206	\$ 1,505,652	\$ 1,797,714
Interest receivable	53	-	476	529
Interfund receivables:	-	-	-	-
Interfund services provided and used	-	37,786	-	37,786
Inventories	-	264,567	-	264,567
Total current assets	<u>\$ 117,909</u>	<u>\$ 476,559</u>	<u>\$ 1,506,128</u>	<u>\$ 2,100,596</u>
Capital assets:				
Other capital assets (net of accumulated depreciation)	4,612	693,343	-	697,955
Total noncurrent assets	<u>4,612</u>	<u>693,343</u>	<u>-</u>	<u>697,955</u>
Total assets	<u>122,521</u>	<u>1,169,902</u>	<u>1,506,128</u>	<u>2,798,551</u>
<u>Liabilities</u>				
Current liabilities:				
Accounts payable	28,421	57,531	4,572	90,524
Interfund payables	8,297	12,870	-	21,167
Compensated absences payable-short term	2,811	1,696	-	4,507
Estimated unfilled claims	26,999	-	294,382	321,381
Noncurrent liabilities:				
Compensated absences payable-long term	2,066	7,604	-	9,670
Total liabilities	<u>68,594</u>	<u>79,701</u>	<u>298,954</u>	<u>447,249</u>
<u>Net assets</u>				
Invested in capital assets	4,612	693,343	-	697,955
Unrestricted	<u>49,315</u>	<u>396,858</u>	<u>1,207,174</u>	<u>1,653,347</u>
Total net assets	<u>\$ 53,927</u>	<u>\$ 1,090,201</u>	<u>\$ 1,207,174</u>	<u>\$ 2,351,302</u>

CITY OF BLOOMINGTON, INDIANA
COMBINING STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN FUND NET ASSETS
NON-MAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2006

	Governmental-Type Activities - Internal Service Funds			
	Risk Management	Fleet Maintenance	Health Insurance Trust	Total
Operating Revenues:				
Charges for services	\$ 504,867	\$ 1,341,504	\$ 6,146,175	\$ 7,992,546
Other	7,797	9,090	30	16,917
Total operating revenues	512,664	1,350,594	6,146,205	8,009,463
Operating expenses:				
Administrative and general:				
General	-	-	372,516	372,516
Salaries	217,667	386,511	-	604,178
Employee benefits	-	-	4,776,757	4,776,757
Materials and supplies	38,477	1,010,829	-	1,049,306
Other services	358,478	112,077	-	470,555
Depreciation	9,023	34,573	-	43,596
Total operating expenses	623,645	1,543,990	5,149,273	7,316,908
Operating income (loss)	(110,981)	(193,396)	996,932	692,555
Nonoperating revenues:				
Interest and investment revenue	18,416	-	121,093	139,509
Total nonoperating revenue	18,416	-	121,093	139,509
Change in net assets	(92,565)	(193,396)	1,118,025	832,064
Net assets - beginning	146,492	1,201,851	89,149	1,437,492
Change in accounting principal (Note IV-B)	-	81,746	-	81,746
Net assets - beginning, restated	146,492	1,283,597	89,149	1,519,238
Total net assets - ending	\$ 53,927	\$ 1,090,201	\$ 1,207,174	\$ 2,351,302

CITY OF BLOOMINGTON, INDIANA
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2006

	Governmental-Type Activities - Internal Service Funds			
	Risk Management	Fleet Maintenance	Health Insurance Trust	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 512,664	\$ 1,356,929	\$ 6,146,175	\$ 8,015,768
Payments to suppliers	(428,725)	(1,149,591)	(5,257,820)	(6,836,136)
Payments to employees	(217,667)	(383,515)	-	(601,182)
Net cash provided (used) by operating activities	(133,728)	(176,177)	888,355	578,450
Cash flows from investing activities:				
Interest received	18,420	-	120,712	139,132
Net increase (decrease) in cash and cash equivalents	(115,308)	(176,177)	1,009,067	717,582
Cash and cash equivalents, January 1	233,164	350,383	496,585	1,080,132
Cash and cash equivalents, December 31	\$ 117,856	\$ 174,206	\$ 1,505,652	\$ 1,797,714
Reconciliation of operating income to net cash used by operating activities:				
Operating income (loss)	(110,981)	(193,396)	996,932	692,555
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	9,023	34,573	-	43,596
Change in assets and liabilities:				
Interfund receivables	-	6,335	-	6,335
Inventories	-	(33,219)	-	(33,219)
Accounts payable	(7,687)	5,026	4,572	1,911
Compensated absence payable	(4,265)	2,996	-	(1,269)
Interfund payables	269	1,508	-	1,777
Estimated unfilled claims	(20,087)	-	(113,149)	(133,236)
Total adjustments	(22,747)	17,219	(108,577)	(114,105)
Net cash provided (used) by operating activities	\$ (133,728)	\$ (176,177)	\$ 888,355	\$ 578,450

CITY OF BLOOMINGTON, INDIANA
BUDGETARY COMPARISON SCHEDULES
NON-MAJOR BUDGETED INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2006

	Risk Management				Fleet Maintenance			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Charges for services	\$ 505,467	\$ 505,467	\$ 504,867	\$ (600)	\$ 1,358,920	\$ 1,358,920	\$ 1,347,839	\$ (11,081)
Other	7,500	7,500	26,167	18,667	-	-	9,089	9,089
Total revenues	512,967	512,967	531,034	18,067	1,358,920	1,358,920	1,356,929	(1,991)
Expenditures:								
Current:								
General government:								
Personal services	237,685	221,685	221,626	59	409,079	409,079	382,007	27,072
Supplies	38,300	38,300	38,240	60	1,001,700	1,085,700	1,043,613	42,087
Other services and charges	228,632	496,929	383,997	112,932	107,814	119,944	106,060	13,884
Capital outlay	250	250	237	13	1,650	1,650	1,426	224
Total expenditures	504,867	757,164	644,100	113,064	1,520,243	1,616,373	1,533,105	83,268
Net change in fund balances	8,100	(244,197)	(113,066)	131,131	(161,323)	(257,453)	(176,177)	81,276
Fund balances - beginning	262,026	262,026	262,026	-	347,616	347,616	347,616	-
Fund balances - ending	\$ 270,126	\$ 17,829	\$ 148,960	\$ 131,131	\$ 186,293	\$ 90,163	\$ 171,439	\$ 81,276

Non-major Fiduciary Funds

Pension Trust Funds – used to account for assets held by the City for the members and beneficiaries of defined benefit plans.

Police Pension - To account for the provision of retirement and disability benefits to police officers hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members, state cigarette tax distributions, and a specific annual property tax levy.

Fire Pension - To account for the provision of retirement and disability benefits to firefighters hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members, state cigarette tax distributions, and a specific annual property tax levy.

Private Purpose Trust Fund – used to report assets held by the City that benefit individuals, private organizations, or other governments.

Howard Young Bicentennial Trust - To account for the Howard Young \$1,000 gift in 1976 to the City and all subsequent investment earnings. The trust agreement provides that the principal and accumulated earnings be used in the year 2076 for sidewalk improvements.

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF FIDUCIARY NET ASSETS
NON-MAJOR FIDUCIARY FUNDS
December 31, 2006

	Pension Trust Funds		
	Police Pension	Fire Pension	Total
<u>Assets</u>			
Cash and cash equivalents	\$ 1,325,610	\$ 2,294,795	\$ 3,620,405
Receivables:			
Taxes	23,750	42,004	65,754
Intergovernmental	1,464	2,590	4,054
Interest	4,228	7,566	11,794
Total receivables	29,442	52,160	81,602
Investments at fair value:			
Certificate of deposit	653,500	973,050	1,626,550
Participation in investment pools of other governments	672,281	873,232	1,545,513
Total investments	1,325,781	1,846,282	3,172,063
Total assets	2,680,833	4,193,237	6,874,070
<u>Liabilities</u>			
Unearned revenue	23,750	42,004	65,754
Total liabilities	23,750	42,004	65,754
<u>Net assets</u>			
Held in trust for:			
Employees' pension benefits	2,657,083	4,151,233	6,808,316
Total net assets	\$ 2,657,083	\$ 4,151,233	\$ 6,808,316

CITY OF BLOOMINGTON, INDIANA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Year Ended December 31, 2006

	<u>Police Pension</u>	<u>Fire Pension</u>	<u>Total</u>
<u>Additions</u>			
Contributions:			
Employer contributions	\$ 1,434,077	\$ 2,290,822	\$ 3,724,899
Plan members	4,313	5,501	9,814
Other contributions	<u>-</u>	<u>260</u>	<u>260</u>
Total contributions	<u>1,438,390</u>	<u>2,296,583</u>	<u>3,734,973</u>
Investment income:			
Interest	<u>140,721</u>	<u>220,861</u>	<u>361,582</u>
Total investment income	<u>140,721</u>	<u>220,861</u>	<u>361,582</u>
Total additions	<u>1,579,111</u>	<u>2,517,444</u>	<u>4,096,555</u>
<u>Deductions</u>			
Benefits	1,321,496	1,934,174	3,255,670
Administrative expense	<u>3,504</u>	<u>3,420</u>	<u>6,924</u>
Total deductions	<u>1,325,000</u>	<u>1,937,594</u>	<u>3,262,594</u>
Changes in net assets	<u>254,111</u>	<u>579,850</u>	<u>833,961</u>
Net assets - beginning	<u>2,402,972</u>	<u>3,571,383</u>	<u>5,974,355</u>
Net assets - ending	<u>\$ 2,657,083</u>	<u>\$ 4,151,233</u>	<u>\$ 6,808,316</u>

CITY OF BLOOMINGTON, INDIANA
BUDGETARY COMPARISON SCHEDULES
NON-MAJOR BUDGETED PENSION TRUST FUNDS
For The Year Ended December 31, 2006

	Police Pension				Fire Pension			
	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final			Original	Final		
Revenues:								
Taxes	\$ 650,000	\$ 650,000	\$ 712,637	\$ 62,637	\$ 1,150,000	\$ 1,150,000	\$ 1,219,632	\$ 69,632
Intergovernmental	619,500	619,500	806,571	187,071	1,008,400	1,008,400	1,174,107	165,707
Other	30,178	30,178	55,678	25,500	34,170	34,170	57,820	23,650
Total revenues	<u>1,299,678</u>	<u>1,299,678</u>	<u>1,574,887</u>	<u>275,209</u>	<u>2,192,570</u>	<u>2,192,570</u>	<u>2,451,559</u>	<u>258,989</u>
Expenditures:								
Current:								
Public safety:								
Personal services	3,400	3,400	3,400	-	3,400	3,400	3,400	-
Supplies	550	550	104	447	350	350	20	330
Other services and charges	<u>1,548,700</u>	<u>1,548,700</u>	<u>1,321,496</u>	<u>227,204</u>	<u>2,239,086</u>	<u>2,239,086</u>	<u>1,934,174</u>	<u>304,912</u>
Total expenditures	<u>1,552,650</u>	<u>1,552,650</u>	<u>1,325,000</u>	<u>227,650</u>	<u>2,242,836</u>	<u>2,242,836</u>	<u>1,937,594</u>	<u>305,242</u>
Net change in fund balances	(252,972)	(252,972)	249,887	502,859	(50,266)	(50,266)	513,965	564,231
Fund balances - beginning	<u>2,416,533</u>	<u>2,416,533</u>	<u>2,416,533</u>	-	<u>3,597,284</u>	<u>3,597,284</u>	<u>3,597,284</u>	-
Fund balances - ending	<u>\$ 2,163,561</u>	<u>\$ 2,163,561</u>	<u>\$ 2,666,420</u>	<u>\$ 502,859</u>	<u>\$ 3,547,018</u>	<u>\$ 3,547,018</u>	<u>\$ 4,111,249</u>	<u>\$ 564,231</u>

Statistical Section

This part of the City of Bloomington's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the Financial Statements, Note Disclosures, and Required Supplementary Information says about the overall financial health of Bloomington.

Contents Schedule

Schedule

Financial Trends

These schedules contain trend information to help the reader understand how Bloomington's financial performance and well-being has changed over time.

1 - 4

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting Bloomington's ability to generate its property taxes.

5 - 8

Debt Capacity

These schedules present information to help the reader assess the affordability of Bloomington's current levels of outstanding debt and the city's ability to issue additional debt in the future.

9 - 13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which Bloomington's financial activities take place and to help make comparisons over time and with other governments.

14 - 15

Operating Information

These schedules contain information about Bloomington's operations and resources to help the reader understand how the city's financial information relates to the services Bloomington provides and the activities it performs.

16 - 18

Schedule 1
City of Bloomington
Net Assets By Component (in thousands of dollars)
Last 10 Fiscal Years¹

	Fiscal Year				
	2006	2005	2004	2003	2002
Governmental activities:					
Invested in capital assets, net of related debt	163,971	161,119	154,445	142,750	N/A
Restricted	45	1,367	1,689	1,904	N/A
Unrestricted	16,963	6,656	9,467	11,108	N/A
Total government activities net assets	\$ 180,979	\$ 169,142	\$ 165,601	\$ 155,762	N/A
Business-type activities:					
Invested in capital assets, net of related debt	76,769	83,418	85,935	88,961	N/A
Restricted	16,174	7,252	774	1,766	N/A
Unrestricted	4,742	4,617	6,290	4,908	N/A
Total business-type activities net assets	\$ 97,685	\$ 95,287	\$ 92,999	\$ 95,633	N/A
Primary government:					
Invested in capital assets, net of related debt	240,740	244,537	240,380	231,711	N/A
Restricted	16,219	8,619	2,463	3,670	N/A
Unrestricted	21,705	11,273	15,757	16,016	N/A
Total primary government net assets	\$ 278,664	\$ 264,429	\$ 258,600	\$ 251,397	N/A

¹The comparative data for 1997-2002 is not available because 2003 was the initial year of GASB statement No. 34 with relevant data.

Schedule 2
City of Bloomington
Changes in Net Assets (in thousands of dollars)
Last Ten Fiscal Years¹

	Fiscal Year			
	2006	2005	2004	2003
Expenses				
Governmental activities:				
General Government	10,905	11,393	9,443	10,643
Public Safety	18,233	19,422	18,477	17,119
Highways and Streets	5,286	3,321	4,477	4,547
Sanitation	1,907	1,766	1,597	1,542
Health and Welfare	56	126	683	799
Culture and Recreation	7,703	5,756	7,408	7,108
Urban Development and Housing	3,498	4,977	2,172	2,321
Interest on long-term debt	2,680	3,002	2,459	3,223
Total governmental activities expenses	50,268	49,763	46,716	47,302
Business-type activities:				
Water	9,480	8,628	9,618	7,729
Wastewater	14,090	13,143	13,189	11,932
Total business-type activities expenses	23,570	21,771	22,807	19,661
Total primary government expenses	\$ 73,838	\$ 71,534	\$ 69,523	\$ 66,963
Program Revenues				
Governmental activities:				
Charges for services:	-	8,323	7,608	9,038
Refuse collection	1,033	-	-	-
Other public works	20	-	-	-
Parks and recreation	2,856	-	-	-
Other activities	4,796	-	-	-
Operating grants and Contributions	8,557	6,231	5,370	5,902
Capital grants and contributions	4,176	5,165	166	1,154
Total governmental activities program revenues	21,438	19,719	13,144	16,094
Business-type activities:				
Charges for services:				
Water	9,935	9,566	9,241	9,633
Wastewater	14,689	13,490	14,177	13,742
Other activities	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	209	-	351	1,948
Other	-	-	464	519
Total business-type activities program revenues	24,833	23,056	24,233	25,842
Total primary government program revenues	\$ 46,271	\$ 42,775	\$ 37,377	\$ 41,936

(continued)

Schedule 2
City of Bloomington
Changes in Net Assets (in thousands of dollars)
Last Ten Fiscal Years¹

	Fiscal Year			
	2006	2005	2004	2003
Net (Expense) Revenue				2002
Governmental activities	(28,830)	(30,044)	(33,572)	(31,208)
Business-type activities	1,263	1,285	1,426	6,181
Total primary government net expense	\$ (27,567)	\$ (28,759)	\$ (32,146)	\$ (25,027)
				N/A

General Revenues and Other Changes in Net Assets

Governmental activities:				
Taxes				
Property taxes	25,883	22,914	22,255	21,300
County Option Income Tax	9,845	6,596	6,817	6,210
Excise Tax	1,907	1,022	1,471	1,281
Other taxes	680	1,093	1,209	1,494
Unrestricted grants and contributions	1,338	1,078	11,253	201
Payments in lieu of taxes	-	-	-	-
Unrestricted Investment earnings	1,015	879	406	277
Miscellaneous	-	-	-	-
Transfers	-	-	-	-
Total government activities	40,668	33,582	43,411	30,763
				N/A

✓ 4

Business-type activities:				
Unrestricted investment earnings	854	258	78	40
Other	5	-	464	519
Extraordinary gain	276	-	-	-
Total Business-type activities	1,135	258	542	559
				N/A

Total Primary Government:	41,803	33,840	43,953	31,322
Change in Net Assets				N/A

Governmental Activities				
Increase in net assets before transfers	11,838	3,540	9,839	(444)
Special and extraordinary items	-	-	-	-
Change in Accounting Principle	-	-	-	-
Increase in net assets	11,838	3,540	9,839	(444)
Business-type activities				
Increase in net assets before transfers	2,397	1,543	1,504	6,221
Special and extraordinary items	-	923	-	193
Change in Accounting Principle	-	-	(4,138)	-
Prior Period Adjustment	-	(177)	-	-
Increase in net assets	2,397	2,289	(2,634)	6,414
Total Change in Net Assets	14,235	5,829	7,205	5,970
				N/A

Net Assets January 1st	264,429	258,600	251,396	245,425
Net Assets December 31st	278,664	264,429	258,600	251,396

¹The comparative data for 1997-2002 is not available because 2003 was the initial year of GASB statement No. 34 with relevant data.

Schedule 3
City of Bloomington
Fund Balances, Governmental Funds
Last 10 Fiscal Years¹

	2006	2005	2004	2003	2002	2001
General Fund						
Reserved	\$ 1,022,242	\$ 1,022,243	\$ 193,631	\$ 392,875	N/A	N/A
Unreserved	6,692,011	3,071,282	2,865,579	2,778,073	N/A	N/A
Total general fund	\$ 7,714,253	\$ 4,093,525	\$ 3,059,210	\$ 3,170,948	N/A	N/A
All Other Governmental Funds						
Reserved:						
Encumbrances	\$ 2,364,319	\$ 2,884,309	\$ 1,902,898	\$ 1,935,589	\$ 1,148,727	N/A
Land held for resale	139,650	77,650	298,817	210,317	230,587	N/A
Noncurrent loans receivable	4,458,911	4,502,151	2,439,928	2,224,782	1,852,835	N/A
Debt service funds	1,249,774	1,366,554	1,688,564	1,904,449	N/A	N/A
Capital projects funds	13,542,801	8,953,057	9,405,751	9,140,998	N/A	N/A
Permanent funds	5,870	5,870	5,870	5,870	N/A	N/A
Unreserved:						
Special revenue funds	11,770,113	11,738,365	14,648,846	12,973,206	N/A	N/A
Permanent funds	45,481	16,145	3,333	3,191	N/A	N/A
Undesignated	-	-	-	-	13,053,915	N/A
Total all other governmental funds	\$ 33,576,919	\$ 29,544,101	\$ 30,394,007	\$ 28,398,402	\$ 16,286,064	N/A

¹Data from 1997-2002 does not provide similar statements.

Schedule 4
City of Bloomington
Changes in Fund Balances, Governmental Funds
Last 10 Fiscal Years

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Revenues										
Taxes	25,774,537	\$ 22,778,081	\$ 22,189,488	\$ 21,179,728	\$ 31,244,717	\$ 28,775,881	\$ 26,155,822	\$ 24,454,916	\$ 22,326,754	\$ 21,239,775
Licenses, fees, and permits	60,744	59,607	82,588	201,476	22,820	31,708	43,067	117,455	104,029	94,842
Fines and penalties	1,374,360	1,152,314	999,505	796,869	733,119	689,398	651,089	637,162	470,751	455,318
Charges for services	7,298,927	7,111,921	6,526,277	4,951,088	4,932,422	5,586,042	5,104,014	4,301,748	5,838,578	3,566,838
Special Assessments	-	-	-	-	-	-	-	-	-	-
Intergovernmental	20,894,710	17,836,799	16,011,773	16,329,688	8,866,937	9,101,117	11,175,925	10,630,758	8,373,044	6,482,749
Investment earnings	-	-	-	-	-	-	-	-	-	-
Other revenues	2,454,345	1,839,495	1,110,024	1,603,769	1,257,905	2,090,124	2,054,780	1,699,992	1,629,519	2,456,903
Total revenues	57,857,623	\$ 50,778,217	\$ 46,919,655	\$ 45,062,618	\$ 47,057,920	\$ 46,274,270	\$ 45,184,697	\$ 41,842,031	\$ 38,742,675	\$ 34,296,425
Expenditures										
General government	7,142,071	\$ 6,452,297	\$ 6,013,248	\$ 6,151,730	\$ 6,600,261	\$ 5,602,307	\$ 6,421,248	\$ 5,316,210	\$ 5,575,195	\$ 3,812,678
Public Safety	18,752,063	17,352,502	16,529,154	15,533,691	14,572,378	13,446,295	12,184,634	10,802,088	10,942,469	9,538,637
Highways and Streets	5,294,083	4,597,396	4,302,493	4,566,776	4,397,407	4,454,291	4,086,681	2,801,252	3,167,307	3,024,045
Sanitation	1,811,727	1,585,167	1,851,344	1,411,570	1,339,918	1,375,035	1,379,629	1,168,335	1,139,790	1,314,572
Health and Welfare	46,219	122,392	676,330	798,707	2,342,048	3,681,017	4,047,629	3,730,837	2,977,792	1,956,154
Culture and Recreation	7,653,826	6,715,916	7,601,708	7,065,058	7,734,824	6,759,868	6,549,299	5,585,352	4,911,165	5,172,025
Urban Redevelopment and Housing	3,314,264	3,134,866	2,154,373	2,303,991	2,129,044	2,216,952	1,902,602	2,985,515	1,388,924	1,319,415
Debt Service										
Interest	2,221,784	2,332,625	2,429,443	2,953,802	2,169,483	701,604	1,484,783	1,415,834	1,277,271	1,263,058
Principal	1,892,211	1,525,299	1,637,000	1,618,388	2,495,207	2,938,589	1,599,682	1,745,339	1,755,655	1,933,460
Capital Outlay	2,442,828	6,682,065	2,537,497	14,530,582	7,877,344	15,670,678	12,100,907	7,553,591	3,754,689	5,812,981
Total expenditures	\$ 50,571,076	\$ 50,500,525	\$ 45,732,590	\$ 56,934,295	\$ 51,657,914	\$ 56,846,636	\$ 51,757,094	\$ 43,104,353	\$ 36,890,257	\$ 35,147,025

(Continued)

Schedule 4
City of Bloomington
Changes in Fund Balances, Governmental Funds
Last 10 Fiscal Years

	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997
Excess of revenues over (under)	7,286,547	\$ 277,692	\$ 1,187,065	\$ (11,871,677)	\$ (4,599,994)	\$ (10,572,366)	\$ (6,572,397)	\$ (1,262,322)	\$ 1,852,418	\$ (850,600)
Other Financing Sources (Uses)										
Proceeds from borrowing	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Transfers in	2,737,414	1,969,729	3,170,422	2,432,679	4,050,338	3,659,087	1,995,400	2,587,883	1,416,829	1,621,812
Transfers out	(2,737,414)	(1,969,729)	(3,170,422)	(2,432,679)	(4,050,338)	(3,658,930)	(1,995,400)	(2,587,883)	(1,416,717)	(1,621,812)
Capital Leases	366,999	100,348	503,171	7,766,157	712,753	8,211,643	6,835,913	300,000	-	-
General Obligation Bond Proceeds	-	-	-	-	-	6,202,223	2,355,013	2,445,244	7,750,000	1,437,932
Total other financing sources (uses)	366,999	100,348	503,171	7,766,157	712,753	14,414,023	9,190,926	2,745,244	7,750,112	1,437,932
Net change in fund balances	7,653,546	\$ 378,040	\$ 1,690,236	\$ (4,105,520)	\$ (3,887,241)	\$ 3,841,657	\$ 2,618,529	\$ 1,482,922	\$ 9,602,530	\$ 587,332
Fund Balances- beginning	33,637,626	\$ 33,259,586	\$ 31,569,350	\$ 35,674,870	\$ 39,559,021	\$ 35,717,364	\$ 33,098,658	\$ 31,615,736	\$ 22,013,206	\$ 21,427,799
Fund Balances- ending	41,291,172	\$ 33,637,626	\$ 33,259,586	\$ 31,569,350	\$ 35,671,780	\$ 39,559,021	\$ 35,717,364	\$ 33,098,658	\$ 31,615,736	\$ 22,015,131
Debt Service as a percentage of noncapital expenditures	9.12%	8.80%	9.41%	10.78%	10.65%	8.84%	7.78%	8.89%	9.15%	10.90%

Schedule 5
City of Bloomington
Assessed and Actual Value of Taxable Property
Last 10 Fiscal Years (A)

Fiscal Year	REAL PROPERTY Actual Value	PERSONAL PROPERTY Actual Value	TOTAL PROPERTY Actual Value
1997	1,067,996,670	208,554,759	1,276,551,429
1998	1,132,760,970	218,043,036	1,350,804,006
1999	1,185,354,210	220,942,143	1,406,296,353
2000	1,229,557,335	231,596,595	1,461,153,930
2001	1,292,823,660	239,993,541	1,532,817,201
2002¹	1,334,645,900	253,709,170	1,588,355,070
2003²	2,330,364,854	283,040,182	2,613,405,036
2004	2,349,859,904	229,434,401	2,579,294,305
2005	2,483,034,439	274,858,005	2,757,892,444
2006	2,641,127,124	248,887,969	2,890,015,093

(A) Values represent the assessment on March 1 of the previous year for taxes due and payable in the year shown above. Assessed Value equals one-third of the "actual" of the property, which is significantly less than fair market value. The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.

¹Beginning in 2002, Assessed Value equaled Actual Value in anticipation of a reassessment to market value in 2003. (See note (A) above)

²Beginning in 2003, Assessed and Actual Value reflect Market Value

Source: Monroe County Auditor's "Abstract of Property Valuations."

Schedule 6
City of Bloomington
Direct and Overlapping Property Tax Rates (A)
Last 10 Fiscal Years

Fiscal Year	General Fund (B)	Special Revenue Fund	Trust Fund (D)	Capital Projects Fund	Debt Service Fund (F)	Total City Rate (G)
1997	1.8621	0.5514	0.2365	0.5990	0.3539	3.6029
1998	1.6691	0.8422	0.2262	0.5195	0.3390	3.5960
1999	1.8606	0.8420	0.1098	0.5502	0.2111	3.5737
2000	2.2778	0.8309	0.0868	0.3783	0.1495	3.7233
2001	2.1681	0.8511	0.0814	0.3251	0.2215	3.6472
2002	0.6816	0.2965	0.0295	0.0869	0.1142	1.2087
2003	0.4631	0.1880	0.0242	0.0647	0.0598	0.7998
2004	0.4987	0.2008	0.0273	0.0481	0.0618	0.8367
2005	0.5083	0.1620	0.0677	0.0489	0.0578	0.8447
2006	0.5445	0.1672	0.0671	0.0465	0.0505	0.8757

- (A) Per \$100 of Assessed Valuation, which is one-third of "true tax value" for 1993-2001. As of 2003, Assessed Value is equal to Market Value
- (B) Consists of the Corporation General Fund (.5445)
- (C) Consists of the Parks and Recreation Fund (0.1527) and Tax Increment Replacement (0.0145).
- (D) Consists of the Police Pension Fund (0.0242) and the Fire Pension Fund (0.0428).
- (E) Consists of the Cumulative Capital Improvement (0.0150) and the Cumulative Capital Development Fund (0.0315).
- (F) Consists of the Park District Bond Fund (0.0167), the Bloomington Municipal Facilities Fund (0.0136) and the Street Bond Fund (0.0202).
- (G) Tax rates are applicable to taxes payable in May and November of the stated year.

Source: Monroe County Auditor's Office, "Notice to Taxpayers of Monroe County of Tax Rates Charged."

Schedule 6
City of Bloomington
Property Tax Rates (A)
Direct and Overlapping Governments (B)
Last Ten Fiscal Years

Direct Rate		Overlapping Rates							
	City	Township	Library	School District	County	Special Enterprise Fund (C)	Solid Waste District	State	Total
Bloomington City									
1997	3.7781	0.0965	0.5192	4.3963	2.0303	0.1752	0.0937	0.0100	10.9241
1998	3.7766	0.0965	0.5213	4.4520	2.0268	0.1806	0.0891	0.0100	11.1529
1999	3.7245	0.0999	0.5070	4.5996	2.0651	0.1508	0.0846	0.0100	11.2415
2000	3.7233	0.1011	0.5181	4.7216	2.0569	0.1531	0.0871	0.0100	11.3712
2001	3.6472	0.1026	0.4967	4.6495	1.6087	0.1492	0.0878	0.0100	10.7517
2002	1.2087	0.0351	0.1645	1.5726	0.5385	0.0502	0.0366	0.0033	3.6095
2003	0.7998	0.0210	0.1044	1.0208	0.4042	0.0315	0.0237	0.0033	2.4087
2004	0.8367	0.0231	0.1078	1.1038	0.4690	0.0328	0.0251	0.0024	2.6007
2005	0.8447	0.0220	0.1055	1.1565	0.4203	0.0316	0.0234	0.0024	2.6064
2006	0.8757	0.0226	0.1064	1.2308	0.3922	0.0321	0.0259	0.0024	2.6881
Perry City									
1997	3.7781	0.1117	0.5192	4.3963	2.0303	0.1752	0.0937	0.0100	10.9393
1998	3.7766	0.1021	0.5213	4.4520	2.0268	0.1806	0.0891	0.0100	11.1585
1999	3.7245	0.0790	0.5070	4.5996	2.0651	0.1508	0.0846	0.0100	11.2206
2000	3.7233	0.1048	0.5181	4.7216	2.0569	0.1531	0.0871	0.0100	11.3749
2001	3.6472	0.1067	0.4967	4.6495	1.6087	0.1492	0.0878	0.0100	10.7558
2002	1.2087	0.0372	0.1645	1.5726	0.5385	0.0502	0.0366	0.0033	3.6116
2003	0.7998	0.0242	0.1044	1.0208	0.4042	0.0315	0.0237	0.0033	2.4119
2004	0.8367	0.0233	0.1078	1.1038	0.4690	0.0328	0.0251	0.0024	2.6009
2005	0.8447	0.0227	0.1055	1.1565	0.4203	0.0316	0.0234	0.0024	2.6071
2006	0.8757	0.0226	0.1064	1.2308	0.3922	0.0321	0.0259	0.0024	2.6881

(A) Property tax rates per \$100 assessed valuation

(B) The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Richland City, Perry City, and Van Buren City

(C) Consists of the Bloomington Transportation Corporation Fund, implemented in 1983.

Source: Monroe County Auditor's Office, "Notice to Taxpayers of Monroe County of Tax Rates Charged."

Schedule 6
City of Bloomington
Property Tax Rates (A)
Direct and Overlapping Governments (B)
Last Ten Fiscal Years

Direct Rate		Overlapping Rates						
City	Township	Library	School District	County	Special Enterprise Fund (C)	Solid Waste District	State	Total
Richland City								
1997	0.0364	0.5192	4.6463	2.0303	0.1752	0.0937	0.0100	11.1140
1998	0.0366	0.5213	4.3608	2.0268	0.1806	0.0891	0.0100	11.0018
1999	0.0344	0.5070	4.0634	2.0651	0.1508	0.0846	0.0100	10.6398
2000	0.0358	0.5181	4.7731	2.0569	0.1531	0.0871	0.0100	11.3574
2001	0.0370	0.4967	4.6344	1.6087	0.1492	0.0878	0.0100	10.6710
2002	0.0117	0.1645	1.5259	0.5385	0.0502	0.0366	0.0033	3.5394
2003	0.0085	0.1044	1.4512	0.4042	0.0315	0.0237	0.0033	2.8266
2004	0.0180	0.1078	1.4984	0.4690	0.0328	0.0251	0.0024	2.9902
2005	0.0184	0.1055	1.5495	0.4203	0.0316	0.0234	0.0024	2.9958
2006	0.0190	0.1064	1.5516	0.3922	0.0321	0.0259	0.0024	3.0053
Van Buren City								
1997	0.1336	0.5192	4.3963	2.0303	0.1752	0.0937	0.0100	10.9612
1998	0.1286	0.5213	4.4520	2.0268	0.1806	0.0891	0.0100	11.1850
1999	0.1379	0.5070	4.5996	2.0651	0.1508	0.0846	0.0100	11.2795
2000	0.1526	0.5181	4.7216	2.0569	0.1531	0.0871	0.0100	11.4227
2001	0.1560	0.4967	4.6495	1.6087	0.1492	0.0878	0.0100	10.8051
2002	0.0557	0.1645	1.5726	0.5385	0.0502	0.0366	0.0033	3.6301
2003	0.0507	0.1044	1.0208	0.4042	0.0315	0.0237	0.0033	2.4384
2004	0.0540	0.1078	1.1038	0.4690	0.0328	0.0251	0.0024	2.6316
2005	0.0545	0.1055	1.1565	0.4203	0.0316	0.0234	0.0024	2.6389
2006	0.0544	0.1064	1.2308	0.3922	0.0321	0.0259	0.0024	2.7199

(A) Property tax rates per \$100 assessed valuation

(B) The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Richland City, Perry City, and Van Buren City

(C) Consists of the Bloomington Transportation Corporation Fund, implemented in 1983.

Source: Monroe County Auditor's Office, "Notice to Taxpayers of Monroe County of Tax Rates Charged."

Schedule 7
City of Bloomington
Payment in Lieu of Annexation Agreement (A)

Taxpayer	2005 Assessed Value (B)
COOK	35,203,000
GENERAL ELECTRIC	23,061,170
BAXTER	17,680,500
SABIN	14,506,110
DUNN & FERGUSON	12,426,000
MENARD INC.	8,582,900
PUBLIC INVERSTMENT CORP.	8,413,930
SCHULTE	5,985,400
BLOOMINGTON LKE	5,428,000
BLOMINGTON TECH. PARK	5,175,400
OTIS ELEVATOR	4,641,200
ABB, INC	4,385,560
LIBERTY LLC	3,520,600
BTP 6 LP	2,622,200
UNITED METHODIST CHURCH	2,026,500
BTP 12 LP	1,919,200
EXMIN, INC	1,552,700
INDIANA INVESTMENTS	729,100
ATR COIL	432,900
PERFECTION BAKERIES INC.	322,740
VIP HOLDINGS	318,000
JASTRENSKI HOLDINGS, LLC	66,000
COPHENHAVER CONSTRUCTION	65,500
Total	159,064,610

(A) The City of Bloomington has negotiated an "In Lieu of Annexation Agreement," pursuant to Indi with a number of local industries and businesses which lie outside the City corporate limits. The City services to the industries for a specified payment, and will forego annexation during the period of ag Payments are negotiated to approximate a percentage of City property taxes.

(B) 2006 property tax payments are based on the 2005 assessed values.

Schedule 7
City of Bloomington
Principal Property Tax Payers (A)
Last 10 Fiscal Years

2005 Pay 2006	Type of Business	Valuation (A)	Percentage of Valuation (B) City's Assessed
Taxpayer			
RCR Properties LLC	Rental Properties	47,110,700	1.63%
CFC Inc	Rental Properties	28,320,700	0.98%
Woodbridge	Rental Properties	26,185,700	0.91%
Simon Property Group	Retail	23,717,100	0.82%
Smallwood Plaza	Rental Properties	22,410,300	0.78%
Whitehall Crossing	Retail	18,491,800	0.64%
Latimer, Fred	Real Estate	16,539,200	0.57%
Indiana Bell	Utility	1,667,100	0.06%
Indiana Gas	Utility	1,597,500	0.06%
Rogers Group	Construction	1,250,700	0.04%
TOTAL		\$186,040,100	6.44%

1996 Pay 1997	Type of Business	Valuation (A)	Percentage of Valuation (B) City's Assessed
Taxpayer			
Thomson Corporation	Color TV receivers, electronics	\$12,345,430	2.90%
Woodbridge Apartments	Real estate	5,027,220	1.18%
Public Service Indiana	Utility	4,713,650	1.11%
CFC, Inc.	Rental properties	4,549,590	1.07%
Indiana Bell Telephone	Utility	4,420,350	1.04%
College Mall Company	Regional shopping center	4,075,040	0.96%
Regency Management Service	Rental properties	3,743,700	0.88%
Indiana Gas Company	Utility	2,809,760	0.66%
Rogers Group	Construction	2,632,910	0.62%
Carlisle (B.F. Goodrich)	Off-road braking systems	2,032,060	0.48%
TOTAL		\$46,349,710	10.90%

(A) Source: Monroe County Auditor's Office; represents the assessment of March 1 of previous year for taxes due and payable in year shown.
(B) Valuation is not current; based on previous year.

Schedule 8
City of Bloomington
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax
1997	\$15,943,365	\$15,631,134	98.04%	\$496,960	\$16,128,095	101.16%	\$549,855	3.45%
1998	16,933,658	16,439,712	97.08%	351,587	16,791,299	99.16%	742,948	4.39%
1999	17,436,672	16,970,500	97.33%	582,421	17,552,922	100.67%	701,996	4.03%
2000	17,946,390	17,597,007	98.05%	507,516	18,104,523	100.88%	536,105	2.99%
2001	18,537,756	18,072,474	97.49%	390,398	18,462,872	99.60%	720,470	3.89%
2002	18,969,814	18,505,961	97.55%	594,256	19,100,216	100.69%	647,749	3.41%
2003	20,400,694	19,978,630	97.93%	500,036	20,478,666	100.38%	661,992	3.24%
2004	21,517,113	21,021,709	97.70%	450,865	21,472,573	99.79%	748,889	3.48%
2005	22,768,582	22,195,043	97.48%	577,319	22,772,361	100.02%	820,581	3.60%
2006	24,728,620	24,035,251	97.20%	678,361	24,713,612	99.94%	950,781	3.84%

Note: All property tax collections in excess of 102% of the state approved levy are transferred to a "Levy Excess Fund" and are used either to reduce tax levies in subsequent years or to reimburse any fund for property taxes withheld due to refunds awarded.

Source: Monroe County Auditor's "Apportionment of Taxes Collected," prorated according to the City of Bloomington's share.

Schedule 8
City of Bloomington
Property Tax Levies and Collections
Listed By Township (A)
Last 10 Fiscal Years

	Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax
Bloomington City							
1997	\$5,711,440	\$5,584,749	97.78%	\$181,769	\$5,766,518	\$210,927	3.69%
1998	5,860,065	5,671,949	96.79%	131,699	5,803,648	279,128	4.76%
1999	5,962,957	5,760,191	96.60%	229,388	5,989,579	285,615	4.79%
2000	6,101,947	5,955,127	97.59%	207,821	6,162,948	223,000	3.65%
2001	6,129,548	5,966,235	97.34%	178,076	6,144,311	258,458	4.22%
2002	6,202,020	6,049,897	97.55%	210,090	6,259,986	207,610	3.35%
2003	6,858,777	6,693,539	97.59%	168,691	6,862,230	233,567	3.41%
2004	7,109,753	6,929,223	97.46%	165,831	7,095,054	256,785	3.61%
2005	7,712,341	7,514,942	97.44%	231,034	7,745,976	252,771	3.28%
2006	\$8,428,455	\$8,143,208	96.62%	\$252,338	\$8,395,546	\$320,127	3.80%
Perry City							
1997	\$9,510,803	\$9,346,146	98.27%	\$299,846	\$9,645,991	\$315,958	3.32%
1998	10,246,378	9,994,078	97.54%	198,477	10,192,555	406,214	3.96%
1999	10,592,000	10,348,866	97.70%	294,801	10,643,668	389,317	3.68%
2000	10,672,076	10,469,769	98.10%	274,863	10,744,632	308,169	2.89%
2001	11,215,820	10,914,735	97.32%	207,439	11,122,174	458,778	4.09%
2002	11,514,772	11,246,396	97.67%	381,937	11,628,333	394,948	3.43%
2003	12,290,258	12,077,295	98.27%	307,603	12,384,898	355,030	2.89%
2004	13,006,421	12,708,570	97.71%	246,167	12,954,737	431,381	3.32%
2005	13,779,009	13,445,277	97.58%	332,601	13,777,878	488,695	3.55%
2006	\$14,927,510	\$14,539,643	97.40%	\$380,881	\$14,920,524	\$568,198	3.81%

Note: The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.
Source: Monroe County Auditor's "Apportionment of Taxes Collected," prorated according to Richland City and Van Buren City shares.

Schedule 8
City of Bloomington
Property Tax Levies and Collections
Listed By Township (A)
Last 10 Fiscal Years

	Tax Levy	Current Tax Collections	Percent of Levy	Delinquent Tax	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax
Richland City								
1997	\$100,927	\$100,927	100.000%	\$7,628	\$108,554	107.558%	\$0	0.000%
1998	126,634	102,688	81.090%	248	102,936	81.286%	23,946	18.910%
1999	158,473	152,664	96.330%	26,906	179,570	1.133%	6,066	3.830%
2000	352,382	352,382	100.000%	5,966	358,347	101.693%	8	0.002%
2001	385,513	385,513	100.000%	54	385,567	100.014%	34	0.009%
2002	425,562	421,240	98.984%	122	421,362	99.013%	4,423	1.039%
2003	403,488	387,640	96.072%	3,471	391,111	96.933%	16,814	4.167%
2004	396,964	396,153	99.796%	17,256	413,409	104.143%	1,137	0.286%
2005	419,689	411,130	97.961%	821	411,950	98.156%	9,096	2.167%
2006	424,638	422,669	99.536%	9,269	431,938	101.719%	3,706	0.873%
Van Buren City								
1997	\$620,195	\$599,313	96.633%	\$7,718	\$607,031	97.877%	\$22,970	3.704%
1998	700,582	670,996	95.777%	21,163	692,159	98.798%	33,659	4.805%
1999	723,242	708,779	98.000%	31,326	740,105	102.330%	20,998	2.900%
2000	819,985	819,730	99.969%	18,867	838,596	102.270%	4,928	0.601%
2001	806,875	805,991	99.890%	4,829	810,820	100.489%	3,200	0.397%
2002	827,459	788,428	95.283%	2,107	790,535	95.538%	40,767	4.927%
2003	848,171	820,156	96.697%	20,271	840,427	99.087%	56,581	6.671%
2004	849,762	837,103	98.510%	18,373	855,475	100.672%	54,233	6.382%
2005	857,542	823,695	96.053%	12,863	836,558	97.553%	70,019	8.165%
2006	948,017	\$929,732	98.071%	\$35,873	\$965,605	101.855%	\$58,752	6.197%

Note: The City of Bloomington's corporate boundaries contain four township units: Bloomington City, Perry City, Richland City, and Van Buren City.
Source: Monroe County Auditor's "Apportionment of Taxes Collected," prorated according to Richland City and Van Buren City shares.

Schedule 9
City of Bloomington
Last Ten Fiscal Years
Ratio of Outstanding Debt by Type

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Total Personal Income	Percentage of Personal Income	Debt Per Capita Income				
	General		Redevelopment Bonds	Park District Bonds	Water Bonds	Wastewater Bonds	Total Primary Government									
	Obligation Bonds															
1997	915,000		615,000		2,330,000		13,435,000		22,575,000		39,870,000		3,357,071,000		1.19%	658
1998	8,260,000		485,000		2,060,000		12,860,000		21,905,000		45,570,000		3,574,167,000		1.27%	752
1999	7,855,000		340,000		4,230,000		12,260,000		29,390,000		54,075,000		3,697,434,000		1.46%	892
2000	7,750,000		2,610,000		3,920,000		11,635,000		28,625,000		54,540,000		3,955,684,000		1.38%	769
2001	7,750,000		2,340,000		9,790,000		10,980,000		27,660,000		58,520,000		4,036,418,000		1.45%	836
2002	7,635,000		2,365,000		8,660,000		10,280,000		26,630,000		55,570,000		4,119,263,000		1.35%	800
2003	7,495,000		2,235,000		8,250,000		10,220,000		26,830,000		55,030,000		4,301,023,000		1.28%	796
2004	7,435,000		2,100,000		7,840,000		9,250,000		25,765,000		52,390,000		4,527,313,000		1.16%	762
2005	7,365,000		1,955,000		7,420,000		8,305,000		24,355,000		49,400,000		N/A		N/A	713
2006	7,110,000		1,805,000		6,980,000		13,625,000		32,445,000		61,965,000		N/A		N/A	895

N/A = Not available

Schedule 10
City of Bloomington
Ratios of General Bonded Debt Outstanding
Last 10 Fiscal Years

Fiscal Year	General Obligation Bond	Redevelopment Bond	Park District Bond	Total	Taxable Assessed Value (A)	Percentage of Actual Taxable Value of	
						Property	Per Capita
1997	915,000	615,000	2,330,000	3,860,000	450,268,002	0.86%	63.66
1998	8,260,000	485,000	2,060,000	10,805,000	468,765,451	2.30%	178.20
1999	7,855,000	340,000	4,230,000	12,425,000	487,051,310	2.55%	204.92
2000	7,750,000	2,610,000	3,920,000	14,280,000	510,939,067	2.79%	201.39
2001	7,750,000	2,340,000	9,790,000	19,880,000	1,588,355,070	1.25%	283.94
2002	7,635,000	2,365,000	8,660,000	18,660,000	2,613,405,036	0.71%	268.64
2003	7,495,000	2,235,000	8,250,000	17,980,000	2,613,405,036	0.69%	260.02
2004	7,435,000	2,100,000	7,840,000	17,375,000	2,601,754,329	0.67%	252.62
2005	7,365,000	1,955,000	7,420,000	16,740,000	2,901,875,241	0.58%	236.97
2006	7,110,000	1,805,000	6,980,000	15,895,000	2,890,015,093	0.55%	229.54

Schedule 11
City of Bloomington
Direct and Overlapping Governmental Activities Debt
As of December 31st, 2006

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping</u>
Direct Debt			
Total City	\$ 15,895,000	100.00%	\$ 15,895,000
Overlapping Debt			
County	7,388,000	52.56%	3,882,898
County Library (B)	9,905,000	52.56%	5,205,754
Monroe County Community School District	103,747,056	59.25%	61,466,115
Richland-Bean Blossom School District	30,045,000	4.11%	1,233,577
Total Overlapping Debt	151,085,056		71,788,344
Total direct and overlapping debt	<u>166,980,056</u>		<u>87,683,344</u>

(A) Source: Monroe County Auditor's "Abstract of Property Valuations."

Net Assessed Value represents the assessed valuation on March 1, 2005 for taxes due and payable in 2006.

(B) The County and the County Library jurisdictions are coterminous

Schedule 12
City of Bloomington
Legal Debt Margin Information, Civil City
Last 10 Fiscal Years

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Net Assessed Value	\$425,517,143	\$450,268,002	\$468,726,186	\$484,493,510	\$508,261,482	\$1,588,355,070	\$2,613,405,036	\$2,579,294,305	\$2,757,892,444	\$2,890,015,093
Debt Limit	8,510,343	9,005,360	9,374,524	9,689,870	10,165,230	10,589,034	17,422,700	17,195,295	18,385,950	19,266,767
Total Net Debt Applicable to Limit	915,000	8,260,000	7,855,000	7,750,000	7,750,000	7,635,000	7,495,000	7,435,000	7,365,000	7,110,000
Legal Debt Margin	8,017,632	1,177,831	1,615,480	2,085,511	2,445,586	3,094,991	9,987,700	9,760,295	11,020,950	12,156,767
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.75%	91.72%	83.79%	79.98%	76.24%	72.10%	43.02%	43.24%	40.06%	36.90%

(A)

Source: Monroe County Auditor's "Abstract of Property Valuations."

Net Assessed Value represents the assessed valuation on March 1 of the previous year for taxes due and payable in the year shown. In 2003, True Tax Value changed to market value.

(B)

Article XIII, Section 1 of the Indiana Constitution states that debt may not exceed 2% of a municipality's taxable assessed valuation. According to IC 36-1-15-2 - Legislative intent - Sec. 2. It is the intent of the general assembly that the amount of debt incurred by a political subdivision after February 28, 2001, not exceed, in the aggregate, the amount of debt that the political subdivision could have incurred under: (1) Article 13, Section 1 of the Constitution of the State of Indiana; and (2) any statute imposing an assessed value limitation on the aggregate amount of bonds that a political subdivision may issue; if property were assessed at thirty-three and one-third percent (33.33%) of true tax value.

Schedule 12
City of Bloomington
Legal Debt Margin Information, Redevelopment District
Last 10 Fiscal Years

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Net Assessed Value	\$425,517,143	\$450,268,002	\$468,726,186	\$484,493,510	\$508,261,482	\$1,588,355,070	\$2,613,405,036	\$2,579,294,305	\$2,890,015,093	\$2,890,015,093
Debt Limit	8,510,343	9,005,360	9,374,524	9,689,870	10,165,230	10,589,034	17,422,700	17,195,295	19,266,767	19,266,767
Total Net Debt Applicable to Limit	615,000	485,000	340,000	2,610,000	2,430,000	2,365,000	2,235,000	2,100,000	1,955,000	1,805,000
Legal Debt Margin	8,027,733	8,665,360	9,222,418	7,454,796	7,949,792	8,463,324	15,449,897	15,363,293	17,311,767	17,461,767
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	7.23%	5.39%	3.63%	26.94%	23.91%	22.33%	12.83%	12.21%	10.15%	9.37%

(A)

Source: Monroe County Auditor's "Abstract of Property Valuations."

Net Assessed Value represents the assessed valuation on March 1 of the previous year for taxes due and payable in the year shown. In 2003, True Tax Value changed to market value.

(B)

Article XIII, Section 1 of the Indiana Constitution states that debt may not exceed 2% of a municipality's taxable assessed valuation. According to IC 36-1-15-2 - Legislative intent - Sec. 2. It is the intent of the general assembly that the amount of debt incurred by a political subdivision after February 28, 2001, not exceed, in the aggregate, the amount of debt that the political subdivision could have incurred under: (1) Article 13, Section 1 of the Constitution of the State of Indiana; and (2) any statute imposing an assessed value limitation on the aggregate amount of bonds that a political subdivision may issue; if property were assessed at thirty-three and one-third percent (33.33%) of true tax value.

Schedule 12
City of Bloomington
Legal Debt Margin Information, Park District
Last 10 Fiscal Years

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Net Assessed Value	\$425,517,143	\$450,268,002	\$468,726,186	\$484,493,510	\$508,261,482	\$1,588,355,070	\$2,613,405,036	\$2,579,294,305	\$2,757,892,444	\$2,890,015,093
Debt Limit	8,510,343	9,005,360	9,374,524	9,689,870	10,165,230	10,589,034	17,422,700	17,195,295	18,385,950	19,266,767
Total Net Debt Applicable to Limit	2,330,000	2,060,000	4,230,000	3,920,000	9,790,000	8,660,000	8,250,000	7,840,000	7,420,000	6,980,000
Legal Debt Margin	6,452,220	7,235,776	5,777,498	6,464,902	1,116,074	2,661,538	9,808,398	9,951,442	10,965,950	12,286,767
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	27.38%	22.88%	45.12%	40.45%	96.31%	81.78%	47.35%	45.59%	40.36%	36.23%

Source: Monroe County Auditor's "Abstract of Property Valuations."

(A)

Net Assessed Value represents the assessed valuation on March 1 of the previous year for taxes due and payable in the year shown. In 2003, True Tax Value changed to market value.

(B)

Article XIII, Section 1 of the Indiana Constitution states that debt may not exceed 2% of a municipality's taxable assessed valuation. According to IC 36-1-15-2 - Legislative intent - Sec. 2. It is the intent of the general assembly that the amount of debt incurred by a political subdivision after February 28, 2001, not exceed, in the aggregate, the amount of debt that the political subdivision could have incurred under: (1) Article 13, Section 1 of the Constitution of the State of Indiana; and (2) any statute imposing an assessed value limitation on the aggregate amount of bonds that a political subdivision may issue; if property were assessed at thirty-three and one-third percent (33.33%) of true tax value.

**Schedule 13
City of Bloomington
Pledged-Revenue Coverage
Last 10 Fiscal Years**

Water Revenue Bonds

Fiscal Year	Gross Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Total	Coverage Ratio
				Principal	Interest		
1997	\$7,356,994	\$4,604,532	\$2,752,462	\$545,000	\$720,893	\$1,265,893	2.17
1998	7,113,632	4,901,625	2,212,007	575,000	698,425	1,273,425	1.74
1999	7,645,210	5,241,745	2,403,465	600,000	673,865	1,273,865	1.89
2000	8,084,844	5,620,676	2,464,168	625,000	647,138	1,272,138	1.94
2001	8,186,076	5,379,701	2,806,375	655,000	618,582	1,273,582	2.20
2002	8,243,078	5,395,858	2,847,220	700,000	587,703	1,287,703	2.21
2003	9,981,750	5,394,905	4,586,845	730,000	553,798	1,283,798	3.57
2004	9,482,523	7,005,222	2,477,301	970,000	296,492	1,266,492	1.96
2005	9,668,941	6,054,553	3,614,388	945,000	297,119	1,242,119	2.91
2006	10,249,367	6,527,641	3,721,726	965,000	436,797	1,401,797	2.65

*Note: Excludes depreciation expense

Schedule 13
City of Bloomington
Pledged-Revenue Coverage
Last 10 Fiscal Years

Wastewater Revenue Bonds

Fiscal Year	Special Assessment Collections	Less: Operating Expenses	Net Available Revenue	Debt Service		Total	Coverage
				Principal	Interest		
1997	8,641,124	5,824,646	2,816,478	630,000	1,382,500	2,012,500	1.40
1998	8,890,045	6,124,186	2,765,859	670,000	1,340,229	2,010,229	1.38
1999	10,931,662	6,322,953	4,608,709	715,000	1,294,748	2,009,748	2.29
2000	11,827,592	6,938,743	4,888,849	765,000	1,725,192	2,490,192	1.96
2001	12,327,749	6,865,298	5,462,451	965,000	1,600,814	2,565,814	2.13
2002	11,476,691	7,033,432	4,443,259	1,030,000	1,538,854	2,568,854	1.73
2003	13,952,074	7,353,607	6,598,467	1,090,000	1,473,948	2,563,948	2.57
2004	14,477,542	8,132,375	6,345,167	1,065,000	1,162,797	2,227,797	2.85
2005	13,645,040	8,582,336	5,062,704	1,410,000	1,133,440	2,543,440	1.99
2006	15,233,550	9,000,394	6,233,156	725,000	1,175,525	1,900,525	3.28

*Note: Excludes depreciation expense

Schedule 14
City of Bloomington
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population ¹	Median Age ¹	Per Capita Income ²	Median Household Income ¹	Unemployment Rate ³
2006	69,247	26.9	N/A	\$ 25,377	4.6
2005	69,017	26.9	N/A	25,377	5.1
2004	69,320	23.3	\$ 25,535	25,377	4.5
2003	69,701	23.3	24,183	25,377	4.3
2002	70,055	23.3	23,416	25,377	4.4
2001	70,626	23.3	23,003	25,377	3.9
2000	71,357	23.3	22,508	25,377	2.7
1999	60,633	N/A	21,152	18,393	2.9
1998	60,633	N/A	20,570	18,393	3.2
1997	60,633	N/A	19,491	18,393	3.2

N/A = Not available

Sources:

¹ U.S. Census Bureau

² U.S. Bureau of Economic Analysis, Bloomington, IN Metropolitan Statistical Area

³ U.S. Bureau of Labor Statistics, Bloomington, IN Metropolitan Statistical Area

Schedule 15
City of Bloomington
Principal Employers
Current Year and Nine Years Ago

2006			
Employer	# of Employees	Industry	% of Total City Employment
Indiana University	6,987	Education	6.85%
Bloomington Hospital	3,500	Medical Services	3.43%
Cook Inc.	2,200	Medical Instruments	2.16%
Monroe County Schools	1,726	Education	1.69%
Baxter	936	Pharmaceuticals	0.92%
General Electric	840	Refrigerators	0.82%
PTS	800	Electronic Remanufacturing	0.78%
Marsh Supermarkets	800	Grocery	0.78%
Kroger	700	Grocery	0.69%
City of Bloomington	685	Government	0.67%
	19,174		18.79%

2005			
Employer	Employees	Industry	% of Total City Employment
Indiana University	6,987	Education	N/A
Bloomington Hospital	3,500	Medical Services	N/A
Cook Inc.	2,061	Medical Instruments	N/A
Monroe County Schools	1,700	Education	N/A
General Electric	1,110	Refrigerators	N/A
Baxter	840	Pharmaceuticals	N/A
Marsh Supermarkets	800	Grocery	N/A
PTS	800	Electronic Remanufacturing	N/A
Kroger	700	Grocery	N/A
City of Bloomington	668	Government	N/A
Total	19,166		N/A

N/A = Not Available

Source: Bloomington Economic Development Corporation

Schedule 16
City of Bloomington
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
Mayors Office	5	6	6	7	7	8	8	7	8	8
Controllers Office	8	9	9	10	9	9	9	9	7	7
Legal	9	9	9	9	9	9	9	9	8	8
Employee Services	5	6	6	6	5	6	6	6	5	6
ITS	14	14	15	17	17	18	18	18	16	17
Other	17	17	17	17	18	17	18	17	17	18
Community Development										
Community and Family Resources	10	16	17	19	19	19	14	12	11	10
Housing and Neighborhood Development	17	17	17	18	18	17	18	18	19	19
Parks and Recreation	37	50	55	56	57	58	61	61	56	60
Planning	11	13	13	13	13	14	15	14	14	15
Public Safety										
Police	91	97	104	108	111	113	115	118	119	120
Fire	84	88	91	94	97	100	104	107	107	106
Animal Shelter	12	12	12	13	13	14	14	15	15	17
Parking Enforcement	22	14	15	16	14	14	14	14	17	18
Public Works										
Engineering	16	17	15	15	8	9	9	8	9	9
Sanitation	23	23	24	25	25	24	24	24	23	23
Street	36	36	36	36	38	38	38	40	36	36
Fleet	7	7	7	7	7	7	7	8	8	8
Traffic	5	6	6	7	7	7	7	7	7	7
Utilities	154	152	155	162	163	165	164	165	166	173
Total	583	609	629	655	655	666	672	677	668	685

Schedule 17
City of Bloomington
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Police										
Calls for service	38,463	40,867	46,925	52,686	54,774	50,067	47,019	48,212	52,440	57,400
Arrests ¹	2,561	2,863	3,313	3,679	3,856	3,136	2,766	2,390	2,730	2,939
Citations	3,287	3,372	4,263	7,594	7,564	4,718	4,107	4,592	6,314	6,802
Fire										
Calls for service	1,621	1,748	2,097	2,350	2,578	2,886	2,766	2,896	3,046	2,979
Fire inspections performed	535	569	322	368	224	N/A	N/A	649	981	1,655
Public Works										
Potholes filled	N/A	N/A	N/A	N/A	N/A	N/A	5,443	6,023	6,170	3,830
Utilities										
Sewer line miles inspected	41.8	42.9	32.8	36.3	40.5	35.7	45.6	45.1	49.9	49.3
Sewer line miles cleaned	N/A	N/A	316.62	223.98	231.86	218.41	174.81	218.63	210.34	185.29
Average daily consumption (thousands of gallons)	12,952	12,988	13,873	13,199	13,514	13,783	13,633	13,733	13,369	12,970

N/A = Not available

Sources: Various City Departments

¹Misd. & Felonies

Schedule 18
City of Bloomington
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
General Government										
Buildings	53	54	55	57	60	61	64	66	66	66
Police										
Marked Police Vehicles	18	18	18	18	18	18	18	18	17	17
Fire										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Fire Engines	13	13	13	13	13	14	14	14	14	15
Public Works										
Street Miles	200	198	198	198	205	215	223	228	235	239
Street Lights	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	76
Parks and Recreation										
Park Acreage	1,888	1,997	2,028	2,118	2,120	2,161	2,176	2,188	2,226	2,264
Baseball/Softball Diamonds	15	15	15	15	15	15	15	15	15	15
Basketball Courts	18	18	18	18	18	18	18	18	18	18
Utilities										
Water Main Miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	389	395
Sewer Miles	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	303	305
Storage Capacity (thousands of gallons)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	16,200	21,300
Fire Hydrants	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2,670	2,734

Sources: Various City Departments